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ABSTRACT

This study examined whether charter schools in Arizona were accomplishing the goals communicated in their charter applications and explored the evolutionary nature of charter schools. Forty highly varied charter schools in Arizona were tracked over 5 years of continuous operation, from 1995 to 2000. Interviews lasting 4 hours were arranged at each school to address the same questions to board members, staff, parents, students, and each school's leader. The questions covered demographics, curriculum, achievement, student performance, personnel, business development, finance/reporting, and sponsorship. The exact questions are listed, and common themes and perceptions are reported in the introductory overview. For example, new teachers are commonly preferred over experienced teachers for various reasons. Charter applications, contracts, amendments, annual reports, annual external audit summaries, Standford 9 test scores, parent satisfaction ratings, Measure of Academic Progress data, and complaints are gathered and tabulated in the appendices. Appendix H tracks the history of charter schools in Arizona and includes news about charter schools that reached the public. One section of the report details the process of becoming a charter school in Arizona. (RKJ)

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Five Year Charter School Study

An Overview

by

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November 2000

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THE EVOLUTION OF CHARTER SCHOOLS: Case Studies of Arizona's Fifth Year Charter Schools and an Overview of the Chartering Process

Background and Methodology

The Goldwater Institute's Center for Market-Based Education (CMBE) started this second component of a larger charter school impact project in December 1999. It provides an in-depth look at Arizona's most mature charter schools and how they have evolved during their first five years of operation. Since charter schools are a creation of public policy and exist through a contract with a public sponsor, we believe it is important to examine the evolution of charter schools within the context of the Arizona charter school law and the charter contracting process. For this reason we have included an evolution of the first five years of both the charter law and the charter contracting process.

Charter schools are dynamic organizations. During the first five years of operation we have witnessed charter schools collectively and individually develop, struggle, survive and succeed. (There have also been a few charter school closings that, while remarkably limited in number, have eternally marked the operation of the first cohort of Arizona's charter schools.) This group of pioneers learned about charter school laws and regulations not only while they were developing, but also while the regulators were working to figure out the charter process. This tenacious group of charter operators is as diverse as the schools they founded and lead.

The Arizona charter school law is relatively simple and ultimately holds charter schools accountable for increasing both student achievement and parental choice. Additionally, each charter school articulated goals and objectives in their charter application to which parents hold them accountable. In most cases charter school operators hold themselves accountable for these same goals. The purpose of our study is to examine whether charter schools are accomplishing the goals communicated in their charter applications and to explore the evolutionary nature of charter schools. Given the diverse nature of the first cohort of charter schools, it was necessary to conduct a case study of each school to answer these questions.

This report is an overview of our case study findings. The case study report, to be released in late November 2000, includes a case study for each charter school organization concluding its fifth year of operation during the 1999-2000 school year. There were 50 charters granted in 1995, and of these, 41 are completed their fifth year of operation under the same (or nearly identical) charter application and contract. This report is an overview of 40 individual school case studies. Schools were excluded for the following reasons: Two charters were revoked by the State Board of Education, and three district-sponsored charter schools voluntary closed. Three schools chartered by the State Board for Charter Schools and one district-sponsored school did not open until the 1996-97 school year. One school surrendered its charter at the conclusion of the 1999-2000 school year and was not included in the study. A more detailed table follows. Charter schools operations in italics are in this study.

Several people were critically important to the timely completion of this project. First, Cassandra Larsen and Bonnie Barclay of the State Board for Charter Schools and State Board of Education's Charter School Division, respectively, were helpful in developing and fine-tuning the interview protocol. We also appreciate the time they spent observing our interviews. Second, the Arizona Charter School Association, particularly its president, Tom Drexel, were very supportive and encouraged participation among its member schools. We also appreciate the input of legislators and Superintendent Keegan with respect to the interview protocol. Finally, Tom Windeknecht of the Goldwater Institute provided expertise in data management and organization.

ARIZONA CHARTER SCHOOLS COMPLETING THEIR FIFTH YEAR OF OPERATION, 1999-2000		
School Name[1]	**Original Sponsor**[2]	**Status**
1. Academy of Lifelong Learning	SBE	Surrendering charter in spring 2000
2. Arizona Call-A-Teen	SBCS	
3. Arizona Career Academy	SBE	
4. Arizona Montessori	SBCS	
5. Arizona School for the Arts	SBCS	
6. Ashfork Middle School	Ash Fork School District	Closed charter school in 1997
7. Aztec High School	SBCS	
8. Benjamin Franklin Charter School	SBCS	Had one site under Ganado in 1996, all sites under SBCS since 1997
9. The Bennett Academy	SBE	Formerly called Satz Academy
10. Carmel Community Integrated Arts	SBCS	
11. CASY Country Day School	SBE	Changed sponsorship to SBCS in June 2000
12. Central City Academy	SBCS	Formerly called ABC Alternative
13. Citizen 2000	SBE	Charter revoked in 1996
14. Dragonfleye	SBE	
15. Edge Charter School (The)	SBE	
16. Educational Opportunity Center	SBCS	Did not open until fall 1996
17. EduPreneurship	SBCS	
18. EduPrize	SBE	
19. Esperanza Montessori Academy	SBCS	Under Espiritu Corporation, schools are called Los Milagros and NFL YET
20. Excel Education Centers, Inc.	SBCS	
21. Foothills Academy	SBE	
22. Gateway Community High School	SBE	
23. Greyhills Academy High School	SBE	
24. Heritage Academy	SBCS	Clarkdale site gained its own charter in 1997
25. Intelli-School	SBCS	
26. Kingman Academy of Learning	SBE	
27. Lake Powell Academy	SBCS	Did not open until fall 1996
28. Life School	SBE	Originally chartered under SBE, obtained charter from Higley in 1998, moved all sites under Higley in 2000, changed sponsorship to SBCS in June 2000
29. Mesa Arts Academy	SBE	
30. Mingus Springs Charter School	SBCS	
31. Montessori Charter School of Flagstaff	SBCS	

[1] Italicized schools indicate those completing their fifth year of operation under the same charter contract and application, or those schools with an application similar to the original application and a charter contract under a different sponsor. Those schools in italics are included in this study.

[2] State Board of Education is SBE; State Board for Charter Schools is SBCS; local districts sponsoring charter schools are spelled-out

32. New School for the Arts	SBE	Changed sponsorship to SBCS in June 2000
33. Northern Arizona Academy	SBCS	
34. Payson Center for Success	Payson School District	Did not open until 1996
35. Pimeria Alta	SBCS	Opened in October 1995
36. Pine Forest School	SBE	
37. PPEP TEC	SBCS	
38. Right Step Academy	SBCS	Took over ATOP Academy in March 2000
39. Round Valley Alternative Learning Center	Round Valley School District	Closed in 1997
40. Scottsdale Horizons School	SBCS	
41. Sedona Charter School	SBCS	
42. St. John's Alternative Learning Center	St. John's School District	Closed in 1996
43. Success School	SBE	Charter revoked in 1997
44. Teen Choice Leadership	SBCS	
45. Tertulia: A Learning Community	SBCS	Did not open until fall 1996
46. Tol Chii Kooh	Chinle	Tol Chii Kooh changed sponsorship from Chinle to Ganado in 1996 and changed to Higley in 1998, Tol Chii Kooh operated the Leupp and Little Singer sites with each having a separate Higley charter, Leupp closed (retroactively) as a charter school after the 1998-99 school year, Little Singer remains open, Little Singer added a junior high school under a separate Higley charter in 1998, Tolani Lake was added under a separate Higley charter in 1998; changed Little Singer to SBCS in June 2000; the Tol Chii Kooh site closed in summer of 2000
47. Touchstone Charter School	SBE	Formerly called Copper Canyon, signed a new charter in 1999 to include high school
48. Valley Academy	SBE	
49. Ventana Academic School	SBE	
50. Villa Montessori	SBCS	

The State Board for Charter Schools (SBCS) and the State Board of Education (SBE) were notified in December 1999 of the plans for this study and both board staffs allowed CMBE staff to copy charter applications, contracts, amendments and annual reports. CMBE staff also collected annual external audit summaries, Stanford 9 test scores, parent satisfaction ratings, Measure of Academic Progress data, complaints and other relevant data on all 40 schools from December 1999 through February 2000.

In January and February 2000, CMBE staff solicited written input into the interview protocol from members of both state boards, all 40 fifth-year schools and legislators. All suggestions were incorporated into the interview protocol. The interview protocol was reviewed by the staff of both state boards and a group of schools serving as a focus group in February. Schools were notified in writing, on two occasions, of our desire to conduct a four-hour interview at their school to include board members, staff, parents, students and the school leader. Interviews were scheduled on the telephone and conducted during March, April, May, and October 2000. Schools were made aware that their participation in this

study was voluntary and that their charter sponsor may conduct, in accordance with law, an official review of the school.

A team of interviewers was trained on the interview protocol and the first ten interviews were conducted by the entire team and recorded (with school permission). The remaining thirty interviews were conducted by smaller teams or individuals from the team of interviewers. Case studies were written by one person from each interviewing team. Each school had the opportunity to review the case study and the charts included in this study. Schools were notified of the opportunity to submit written changes to the case studies. To avoid redundancy, we attempted to not begin every paragraph with attribution. Rather, we tried to only include thoughts, comments, conclusions and observations of the parents, students, teachers, board members and operators with whom we met.

Although the pace established for conducting this study was challenging and we traveled hundreds of miles to conduct the interviews in a timely manner, we appreciate the opportunity to visit the schools and the time these busy school leaders, teachers, parents and board members spent talking with us. Spring is a difficult time to visit schools due to assessment requirements, and these charter school leaders accommodated our requests, many on short notice. Visiting the schools was exciting and rewarding and we are grateful for their kind cooperation and support of our study.

We have presented our overall findings, observations and impressions in categories that follow the interview protocol. The categories are: demographics, curriculum, achievement, student performance, personnel, business development, finance/reporting and sponsorship. Charter school operators did not provide direct input into our overall findings; the overall findings are the observations, conclusions and data collected of and by the authors.

Demographics

About half of the schools target and enroll at-risk students. About thirty percent of the schools target traditional students and slightly less than 10 percent target college preparatory students. About 70 percent of the schools said they are currently serving their target population, and twenty percent of the schools did not have a target population. Ten percent of the schools think they missed their target population. Of those schools that are not serving their target population, most schools have changed their program to accommodate the students they serve. Several schools reported that they did not initially serve their target population, but by the third year of operation, the schools were filled with students that met their target population. These schools attribute this shift to remaining true to the mission of the school and not deviating from their original goals.

Charter schools have been accused of "resegregating" public schools throughout the country. This criticism stemmed from a paper by Casey Cobb and Gene Glass which analyzed a group of Arizona charter schools and found them to be more ethnically concentrated than surrounding district schools. (Cobb, Glass 1998) A report looking at a larger sample of charter schools found that individual charter schools are drawing students from dozens of zip codes and several school districts. (Gifford, Ogle, Solmon, 1998) Arizona's first year charter schools fall into both of the above mentioned categories – these schools may be more ethnically concentrated than surrounding districts, but they are attracting students from different communities and school districts, on average. The charter schools in our study were about 10 percent more white than district schools. These schools also enrolled a slightly larger percentage of black students and considerably fewer Hispanic students than districts. Black students represented more than 80 percent of the students in two charter schools. Five charter schools had at least 75 percent Hispanic students, and 41 school sites had more than 75 percent white students enrolled (note: these numbers reflect total school sites in the study; see Appendix for detailed ethnicity numbers by school site).

ETHNICITY OF STUDENTS (Percentages)					
	White	Black	Hispanic	Indian	Asian
Charter Schools In Study	65	5.9	22.3	5.2	1.3
Charter Schools Statewide	60	7.9	22.8	7.5	1.5
District Schools Statewide	55	4.4	32	6.8	1.9

Of the schools participating in the 1999 statewide parent satisfaction survey, sixteen of the charter schools in our study had parents respond to the question regarding distance traveled to the charter schools. These charters represented 25 sites. Parent responses from these schools are similar to information provided by school operators. Most school operators reported that secondary students travel a longer distance to attend a charter school than do elementary students. Also, at-risk charter high schools tend to attract students from greater distances. Specifically, charter operators told us that they typically draw students from 12 school districts, or from 75 zip codes.

DISTANCE TRAVELED TO ATTEND SCHOOL AND PARENT SATISFACTION RATING - 1999				
School Site	Percent Parents Travel 5 miles or Fewer	Percent Parents Travel 5-20 miles	Percent Parents Travel more than 20 miles	Parent Satisfaction Rating (1-8)
ABC Alternative (Central City)	60	27	12	6.3
Arizona Call-A-Teen	41	51	10	6.7
Arizona School for the Arts	32	54	14	7.1
ATOP – Phoenix (Right Step)	42	50	8	5.9
ATOP – Temp (Right Step)	63	37	0	5.8
Benjamin Franklin – Gilbert	75	22	2	7.3
Benjamin Franklin – Mesa	63	34	2	7.6
Benjamin Franklin – Queen Creek	50	46	4	7.4
Edge	32	66	2	6.6
Excel, Cottonwood	82	6	12	5.9
Excel, Flagstaff	68	29	2	6.0
Excel, Prescott	61	37	2	6.0
Excel, Prescott Valley	74	24	2	6.5
Heritage Academy	39	54	7	7.0
IntelliSchool, Main	35	57	8	6.4
IntelliSchool, Paradise Valley	50	50	0	5.7
Life School, Mesa	59	39	3	6.9
Life School, White Mountains	70	30	0	6.2
Mesa Arts Academy	76	23	2	7.1
Montessori Charter School of Flagstaff – Cedar	63	38	0	7.0
Montessori Charter School of Flagstaff - Switzer	62	38	0	7.1
NFL YET	71	29	0	6.0
Pine Forest	52	41	7	7.3
PPEP TEC – Lito Pena	36	52	13	6.7
Sedona Charter Schools	44	56	0	6.9
Fifth-year charter average	56	38	5	6.6
Statewide Average	56	38	6	6.6

Nearly all of the charter operators said their population has remained consistent over the past five years. A few schools reported that a more diverse group attends the charter school now than in the first two years. The schools that previously operated as private schools reported a more diverse charter school population than their previous private school enrollment. Most secondary level charter school leaders reported that their students come to them severely "undercredited" and significantly below grade level.

The secondary schools said they experienced tremendous student turnover. In fact, a couple of school operators told us they cycled approximately 1,000 students through on any given year to fill 500 seats. The high schools also told us they are noticing a reduction in pregnancy and truancy in most of their students. The high schools reported challenges filling their schools in recent years due to competition from other charter schools.

School leaders and parents described the use of creative methods to boost enrollment in charter schools. Several schools said they go door-to-door to recruit students. Others have town hall-type meetings to generate interest. A few schools conduct interviews with prospective students and parents to fully describe the charter program to enable families to make informed decisions. Most schools said word of mouth and a good product are the most effective recruitment tools.

Although most schools track eligibility for the free/reduced portion of the National School Lunch Program, only a few schools actually participate in the program. Most school leaders reported a high percentage of students are eligible for the free/reduced portion of the NSLP, and that these numbers were consistent throughout their five years of operation.

PARTICIPATION IN THE NATIONAL SCHOOL LUNCH PROGRAM – 1999-2000 (Percentages)	
ATOP Academy (two sites)	70, 45
Carmel Community Integrated Arts	46
Dragonfleye	51
Greyhills Academy High School	86
Mesa Arts Academy	59
NFL YET Academy	92
Teen Choice Leadership Academy	96

Source: Arizona Department of Education, School/Nutrition, Fall 1999

Curriculum

The charter schools in our study have diverse curricula and in many cases, an evolving curriculum (chart shows that schools may use more than one approach). Many of the school leaders described an evolving or organic curriculum that has become more developed and enriched over the last five years. All but two schools reported having their curriculum in place when they opened, although most charter operators said their teachers have developed lesson plans and classroom assessments to correspond with the curriculum. One back-to-basic school, two at-risk computerized high schools and one arts school modeled their curriculum after a local district. Universally, charter operators said the most significant development with their curriculum is its standardization.

TYPES OF CURRICULUM/APPROACHES UTILIZED	
Type of Curriculum/Approach	**Number of Schools**
Arts	2
Back to Basics	6
Computerized (includes Advanced Learning Systems, Invest Destinations, Josten's, NovaNet, PLATO, WASACH)	10
Core Knowledge	1
Great Books	1
Integrated Arts	1
Literature-based	1
Montessori	4
Multiple Intelligences	3
Open Court	3
Saxon	3
Self-developed	9
Spalding	4
Thematic	3
Waldorf	1

Most charter schools said they use a team approach in developing new curriculum and purchasing curricular materials. Nearly all of the schools involve parents and teachers in this process. A few schools reported that teachers are not necessarily trained to develop curriculum, and expecting them to do so resulted in less than stellar curriculum. All but a few school leaders said they use student assessments and classroom observation to determine the effectiveness of their curriculum. Most schools have a formal curriculum committee and a curriculum director (this person usually has nearly full-time teaching responsibilities as well). School operators said they rely on teachers and their curriculum committees to develop new classroom assessments as the curriculum evolves.

Several of the high schools use a block schedule which the school operators, parents, teachers and students said allows for more time on specific subject matters. Most of the high schools with computerized curriculum have a project component that is offered off-line to augment the computerized curriculum. Four of the high schools also have school-to-work curriculum and programs. A couple of elementary schools have promotion tests. Most schools require an 80 or 85 percent mastery for students to progress within the curriculum.

The charter schools in this study received their charters under Essential Skills and ASAP, the state's curriculum and assessment program of 1995. Within two years, there were new academic standards being approved and a new high stakes exam, Arizona Instrument to Measure Standards (AIMS). These charter schools had to align their curriculum to the new academic standards within a very short period of time. Schools reported spending anywhere from nothing (this school's curriculum exceeded the Essential Skills and new state standards) to $100,000 to align their curriculum to the new standards. The average amount was about $25,000 for alignment.

Several charter schools in this study refused to accept federal special education funding, yet they are still required by federal law to provide special education services. All of the schools reported mainstreaming special education students whenever possible. Seventy-five percent of the schools have certified special education teachers on site and 25 percent contract for this service.

SPECIAL EDUCATION SPENDING 1998-99[3]	
School Name	Spec Ed Per Pupil Spending
Academy of Lifelong Learning	0
Arizona Call-a-Teen Center of Excellence	N/A
Arizona Career Academy – Tempe	$30.95
Arizona Montessori Charter School	$132.66
Arizona School for the Arts	0
ATOP Academy – Phoenix	$149.49
Az-Tec High School	0
Benjamin Franklin Charter School - Mesa	$85.67
Bennett Academy	0
Carmel Community Integrated Arts	$501.72
Casy Country Day School #1 - Scottsdale	$35.46
Central City Academy	0
Copper Canyon Academy	$436.91
Dragonfleye Charter School	$10.37
Edge Charter School	$338.44
EduPreneurship – Scottsdale	$62.40
Edu-Prize School	0
Excel Education Centers, Inc.	$61.54
Foothills Academy	0
Gateway Community High School	$82.20
Greyhills Academy High School	0
Heritage Academy	$101.80
Intelli-School	$302.71
Kingman Academy of Learning	$232.60
Life School College Preparatory	$43.11
Mesa Arts Academy	$93.20
Mingus Springs Charter School	$191.50
Montessori Charter School of Flagstaff	0
New School for the Arts	$36.74
NFL YET Academy	$40.38
Northern Az Academy	0
Pimeria Alta, Inc.	$37.09
Pine Forest Charter School	$283.69
PPEP TEC	$147.41
Horizon Association of Schools	$37.61
Sedona Charter School	$191.95
Teen Choice Leadership Academy	0
Tol-Chii' Kooh Charter School	0
Valley Academy	$171.81
Ventana Academic Charter School	$220.24
Villa Montessori – Phoenix	$ 49.58

Source: Annual Report of the Arizona Superintendent of Public Instruction, 1998-99, figures are per charter operation

[3] Zero indicates that the school reported not spending anything on special education. "N/A" indicates that the school did not provide the Department of Education with a complete annual financial report prior to printing. This figure is per pupil enrolled in the school, not only per special education student.

Achievement

In seeking input for the protocol, we found that student achievement was the number one concern of almost everyone we questioned. It is also a top priority for the schools. Charter school operators realize that they must improve student achievement as mandated by law. Currently, 75 percent of the schools we talked with are tracking student achievement over time. Another 20 percent plan to, or are currently developing a system. This can be very difficult, especially for high schools that feature a self-paced, computer driven program with open-entry. These schools often attract a high percentage of students who have previously dropped out or had attendance problems. Other students who are lagging behind their cohort will come to these schools to get caught up and then return to their district school for graduation. These factors greatly impact turnover. As a result, comparing results from year to year can, in reality, be comparing almost completely different sets of students. Interestingly, schools complained about their inability to crosswalk the Iowa Test of Basic Skills and the Stanford 9 for longitudinal purposes – the state-mandated norm-referenced test was the ITBS for the first year of charter school operation, and then changed to the SAT9. Schools said they lost their baseline year of data due to this change and several schools prefer the ITBS to the SAT9.

The Department of Education has instituted a number a programs that are designed to increase accountability and achievement. The Arizona Academic Standards were developed by the department in conjunction with educators and community leaders to provide specific skills that students must master in language arts, mathematics, science, social studies, the arts, comprehensive health and physical education, technology, foreign languages, and workplace skills. Mastery of the reading, language and math standards is tested with Arizona's Instrument to Measure Standards, the AIMS Test. This test is given to students in grades 3, 5, 8, and 10 through 12. Beginning in 10th grade, students take the test until they have passed each section. This is a high stakes test that must be passed in order to receive a high school diploma.

The state also mandates that schools administer the Stanford 9 Achievement Test to students in grades 2 through 11 each year. Last year the Department of Education implemented the Arizona Measure of Academic Progress (MAP). This tool looks at the Stanford 9 scores of students who have been at the same school for consecutive Stanford 9 tests and measures performance gains or losses. This allows schools that have low scores to demonstrate progress and also reveals that many high scoring schools simply maintain the status quo. Few of the schools in this study had MAP scores because they did not qualify, due to small class size. However, a number of schools are designing programs to look at their own students and see how these that stay over a period of years are doing. Some schools are comparing Stanford 9 and AIMS results from their students to isolate areas of weakness in their curriculum.

We found that some administrators consider the state mandated tests to be good indicators of their effectiveness. However, most schools use other standard measures, such as criterion referenced tests to augment their assessment of student achievement. Many high schools also look at student performance on the PSAT, SAT and ACT. One school even compares its students against other students according to international standards. Most schools have NOT significantly changed their standardized assessments since they opened, except for instituting the AIMS as mandated by the state.

Internal assessments usually include teacher-developed tests, diagnostic tests and writing samples. A number of schools also use portfolio assessment which compiles a wide variety of a student's work over time. Few of the schools we talked with formally compare internal assessment results to standardized test results, but those that do generally find internal assessments to be higher. Several of the schools plan to continue this comparison to guard against grade inflation. One school requires students to apply to three universities/colleges as a graduation requirement.

ASSESSMENTS and METHODS OF ASSESSING STUDENT PROGRESS	
	Number of Schools
Adult Basic Learning Expectancies (ABLE)	3
Apprenda (for Spanish-speaking students)	1
ASSET	1
Brigance	6
Education Evaluation System, Inc. (EESI)	2
Informal Reading Inventory (IRI)	1
In-House assessments	9
Josten's (JCAT)	1
Local High School Math Assessments	1
McCall-Crabbs reading comprehension	1
Morrison-McCall spelling	2
NovaNet	2
Performances	2
Pre- and Post-Essays	2
Portfolios	12
PSAT	1
Sibroli	1
Stanford 9 pre-test	2
STAR	1
Test of Academic Proficiency (TAP)	2
Test of Adult Basic Education (TABE)	3
Third International Math and Science Study	1
Woodcock-Johnson	1

While most administrators constantly refine their curriculum to improve achievement, we asked them about technical changes they have made to improve performance. We found that a number of schools introduce materials earlier to prepare for the Stanford 9 or adjust terminology to conform to the test. Most schools have also instituted some sort of program to improve test taking skills.

How Are Charter Schools Using Assessment Information to Improve Instruction?

- Computer Lab Tutoring
- Test Taking Skills Courses
- Summer Sessions
- Saturday School
- Tutors from Local Colleges
- Weekly Seminars
- Writing Clinics
- More computer curriculum
- Math Clinics
- Grammar Bees
- Parent Seminars
- Peer tutoring

Parents are usually advised about student achievement through progress reports, report cards, conferences, open houses, performances and newsletters. In general, parent interest and participation is strong. However, at high schools that serve at-risk students, parent participation is reduced and often almost non-existent. One school requires parents to come to the school to receive grade reports. One school asks for student input into their report cards one week before sending to parents.

FREQUENCY OF FORMAL COMMUNICATION WITH PARENTS REGARDING STUDENT ACHIEVEMENT	
	Number of Schools
Weekly	7
Monthly	7
Every 3-5 weeks	4
Every Six Weeks	2
Every Nine Weeks	20

Most of the high schools and several of the elementary schools we talked with assess new students to determine their actual level of achievement. Overall, more than one-half of the schools pre-test students and slightly less than one-half administer a post-test or exit exam. Tests used at the secondary level for placement include the Test of Adult Basic Education (TABE), the Test of Academic Proficiency (TAP), and the Adult Basic Learning Expectancies (ABLE) exam. Some schools have also designed their own placement tests. At the elementary level, placement tests like the Sibroli reading diagnostic, the Informal Reading Inventory or Brigance are used.

More than half of the schools report that students are coming in working below grade level, but get closer to grade level the longer they are at the charter school. High schools reported that the average grade level of entering students was 6th grade. At the high school level, incoming students were lowest in math and writing. At the elementary level incoming students were lowest in reading. Very few of the schools have plans to make significant changes in their assessment strategies.

MEASURE OF ACADEMIC PROGRESS – 1999[4] Did the school make a year's gain? What is the School's Star Rating? What is the starting percentile ranking?						
School	3 to 4 Reading Math	4 to 5 Reading Math	5 to 6 Reading Math	6 to 7 Reading Math	7 to 8 Reading Math	Overall School Rating Reading Math
ABC Alternative (Central City)						
ATOP (Right Step)		No 2 24 No 1 22		Yes 5 20 Yes 3 18		4 2
AZ Montessori – Prescott Valley		No 4 78 No 1 76				4 1

[4] The Measure of Academic Progress is conducted by the Arizona Department of Education by analyzing Stanford 9 test scores by grade level. Students are included in the analysis if they were tested at the same school for two consecutive years. One year of growth indicates whether a grade level achieved one year of academic growth from Spring 1998 to spring 1999. The standard is based on the amount of growth in the scale score points that are necessary to remain in the 50th percentile from one grade to the next higher grade. A "Yes" means the grade level either met or exceeded the standard and achieved one year of growth. A grade level is excluded if: less than 8 students per grade level are matched between Spring 1998 and Spring 1999; less than 25 percent of eligible students in a grade level in Spring 1998 are matched to Spring 1999; or the grade level does not have scores on record for both years. The star rating indicates performance by grade level of a school in relation to other schools in the state. MAP results for 2000 are in the appendix.

AZ Montessori – Glendale						
AZ School for the Arts				Yes 5 84 No 2 83	Yes 3 85 No 3 70	4 3
Benjamin Franklin – Gilbert	Yes 2 65 Yes 2 71	Yes 4 63 Yes 3 75	Yes 5 67 Yes 4 80			4 3
Benjamin Franklin – Mesa	Yes 2 76 Yes 3 79	No 2 69 No 1 78	Yes 3 71 Yes 2 78			2 2
Benjamin Franklin – Queen Creek	Yes 5 50 Yes 2 68	No 1 71 No 1 75	Yes 4 69 Yes 5 76	Yes 3 68 Yes 5 75	No 1 71 No 1 80	4 3
Bennett Academy					No 1 72 No 1 71	2 1
Carmel Integrated Arts						
CASY						
Dragonfleye						
EduPrize	No 1 70 No 1 74	No 3 65 Yes 3 61	Yes 4 62 Yes 2 64	Yes 4 70 Yes 4 75	Yes 5 44 No 2 42	3 2
EduPreneurship						
Espiritu/NFL YET	Yes 5 9 Yes 4 8	Yes 5 14 Yes 5 8		No 2 19 Yes 4 17	Yes 5 19 Yes 4 22	4 4
Excel – Flagstaff, Prescott, Prescott Valley, San Carlos						
Foothills Academy				No 1 82 Yes 5 73		2 5
Heritage Academy						
Kingman Academy – Intermediate	Yes 4 53 Yes 2 53	No 1 56 No 1 58				3 2
Kingman Academy – Middle				Yes 5 47 Yes 4 61	Yes 2 53 Yes 5 58	4 5
Life School – Mesa, ShowLow, St. Johns						
Mesa Arts Academy	No 1 25 No 1 23	No 2 44 No 2 56	Yes 2 40	Yes 5 57 Yes 5 63	Yes 5 67 Yes 4 83	3 3
Mingus Spring	Yes 2 56 Yes 5 34	No 1 58 No 1 36	Yes 2 69 Yes 2 44			2 3
Montessori Charter School of Flagstaff, Switzer	Yes 3 79 Yes 5 57					3 5
Pine Forest	Yes 2 65 Yes 5 21	No 3 69 Yes 5 23	No 1 67 No 1 70	No 2 79 Yes 5 61		2 4
Scottsdale Horizon – Peoria						
Scottsdale Horizon – Scottsdale	Yes 5 61 Yes 5 33	No 4 61 Yes 4 19		Yes 4 74 Yes 5 62	Yes 5 74 Yes 5 56	5 5
Sedona Charter School		No 2 86 No 1 73	Yes 4 79 Yes 3 78			3 2
Teen Choice	Yes 4 18 Yes 5 20					4 5

Tol Chii Kooh						
Valley Academy	Yes 1 71 Yes 4 67	No 1 73 No 2 74	Yes 5 72 Yes 5 74	No 2 78 No 2 76	Yes 1 68 Yes 3 67	2 3
Ventana						
Villa Montssori		Yes 4 85 Yes 5 86	Yes 2 84 Yes 5 84	Yes 4 89 Yes 5 94		3 5

Student Performance and Other Performance Measures

We also asked administrators about student performance goals other than achievement. We envisioned that this would include goals like work force readiness or improved socialization skills. We found that all the schools we studied had these types of goals. A number of schools (more than one-quarter) have programs that emphasize community involvement and service. Other common goals include patriotism, citizenship, respect for self and others, leadership, self confidence, and character education. A number of schools cited improved attendance as an important goal.

Behavior modification programs are employed at several schools and usually include a reward system. Several schools have student courts that help students learn how to resolve conflicts. Many high schools have work readiness programs and work study or school-to-work are available at a number of high schools. A few schools also have support groups to help students deal with things like substance abuse. Many schools take advantage of the programs available from outside agencies such as Planned Parenthood, the DUI Task Force, and D.A.R.E. In general, charter school operators have developed innovative programs that promote social skills that will enhance students' lives.

For the most part, school officials consider socialization and behavioral skills as difficult to quantify and even more challenging to measure. However, they feel that the teachers and administrators know how students are performing in these areas and feel comfortable with the staff's ability to judge progress and to report their observations to parents.

All schools reported that these goals are integrated into their program. Most schools that articulated student performance goals in their application have not changed their programs in any substantial ways. Schools that did not discuss these goals in their application have generally developed programs as needs were identified.

Several schools conduct their own parent and student satisfaction surveys throughout the year. The results, according to school leaders, are not inconsistent with the state-mandated parents satisfaction surveys. Generally, elementary parents were more satisfied and rated their schools higher than parents of secondary students.

PARENT SATISFACTION RATING – 1999	
School	Rating
Arizona Call-A-Teen	A
Arizona School for the Arts	A
ATOP Academy	B
Benjamin Franklin	A+
CASY Country Day	B
Edge Charter School	A
Excel	B

Heritage Academy	A
IntelliSchool	B
Kingman Academy	A
Life School	A-
Montessori Charter School of Flagstaff	A
New School for the Arts	B
NFL YET Academy	B
Pine Forest	A
PPEP TEC	A
Sedona Charter School	A

Source: State Board for Charter Schools Statewide Parent Satisfaction Survey, 1999

Several schools are working toward or have attained accreditation from different entities. Many school goals and the tracking of these goals relate to the schools' accreditation, not necessarily their charter. We did not find any inconsistencies between goals articulated in charters and goals required as part of an accreditation plan. Generally, most schools did not have adequate plans to collect and measure data relating to non-achievement related goals. The exceptions are the schools that set attendance, retention and graduation goals.

CHARTER SCHOOL ACCREDITATION – 2000	
Accredited Schools	**Accrediting Entity**
Arizona Call-A-Teen	North Central
Arizona School for the Arts	North Central – College Prep
Bennett Academy	Association for Performance-Based Accreditation, provisional
Edge	North Central
Excel	North Central
Foothills	North Central
Gateway	North Central
Greyhills	North Central
IntelliSchool	Association for Performance-Based Accreditation
Life School	North Central
Northern Arizona Academy	North Central
PPEP Tec	Association for Performance-Based Accreditation
Valley Academy	North Central
Villa Montessori	American Montessori Society

Personnel

Charter school operators were asked questions in the personnel area, and most were able to provide answers. Some operators had not been with the school long enough to comment on the evolutionary aspects related to personnel, but most had staff members who were in a position to offer an opinion and track down data.

Generally, charter schools are hiring teachers and staff who are creative and who have a philosophical connection with the school. Charter leaders value the philosophical makeup of individuals as much as education and experience. This is true for all staff, not just teachers. In the teaching area, about one-quarter of the charter schools seek people with professional experience in a field, such as a musician, an artist or an engineer. More than two-thirds of the schools seek certified teachers in the core academic areas. There is an importance placed on alternative certifications in the Montessori schools.

Many schools look to fill teaching positions with new teachers without experience. The charter leaders described these novice teachers as more easily trained than experienced teachers who need considerable re-training. A few schools look for out-of-state teachers because the charter operators have more confidence in other states' educational systems. Generally, charter operators describe the need to "reprogram," "retrain" and mentor teachers that come from the traditional education system. Of those schools that hire teachers from the traditional system, these teachers are characterized as appreciating the differences and freedom afforded them in the charter school. A few charter leaders said that during the first two years teachers from the traditional district enjoyed the freedom but wanted to take over the charter school. These people told us that the hiring process for these schools now includes clear communication about teacher freedoms, expectations and limitations.

Charter school leaders nearly universally concluded that traditional colleges of education are not adequately training teachers for employment in charter schools. Specifically, charter school operators complained of teachers not knowing how to use aides or computers, and not being able to understand marketing strategies. Several charter school operators say they now have time to work with colleges of education to develop interdisciplinary programs to better train teachers for a market-driven education system.

Generally, turnover in charter schools in our study was high, with a few schools losing nearly all of their teaching staff in one year. A few schools described an organizational maturation and finally finding the right matches in the third year of operation. Turnover is mostly characterized as "normal" or due to philosophical differences. Normal attrition is due to moving, pregnancy, divorce, or death. Charter school leaders overwhelmingly said they are not experiencing a teacher shortage and that they are able to hire the people they want. The one area of shortage is in Montessori certified teachers. One school told us it is getting more difficult to find qualified certified teachers, but they are not experiencing a shortage. A few operators described an excess of applicants, and one told us about a "wannabe folder" that was a foot thick with prospective applicants who were teaching in traditional schools but were deemed unqualified to teach in the charter school.

Nearly all of the schools told us their teacher salaries are competitive with the local school district, and many charter schools pay substitutes up to 20 percent more than the local district. On average these schools spend 70 percent of the budget on personnel-related expenses. This ranged from more than 90 percent to about 50 percent. Only a few schools have implemented merit pay, and one school implemented merit pay a few years ago but decided to go back to a traditional salary schedule. One school is actively embroiled in an effort to institute merit pay and nearly one-half of the schools would like to implement merit pay. A few schools reward extraordinary performance with gift certificates, lunches, awards and notes. All of the schools interviewed have at-will employees, some with contracts and some without contracts. The longest contract was one year. Many schools said they hold teachers accountable and judge teacher performance through observations, peer meetings, contributions to curriculum development, and student/parent satisfaction.

Generally, charter school leaders said they were smarter about recruiting, interviewing and hiring staff than when the school first opened. Some talked about training qualified administrative staff and then delegating this responsibility after a few years of operation. A few schools involve parents in the interview process, but most hiring decisions are made by the administrative leadership of the charter operation. Nearly one-half of the schools use Teachers On Call for substitute teachers. A few schools describe their program as so specialized that it is necessary to develop their own substitute list. The schools that describe normal attrition seem to have substitute lists of former employees who are willing to fill short term needs.

The benefits offered to charter school employees were typical of most public schools. Several schools expressed relief when the legislature decided to make charter school employees eligible for the Arizona State Retirement System (ASRS) in 1996, and more than one-half of the schools use the ASRS. Two schools had, what we thought were, limited benefits packages. There seemed to be little creativity in benefits and most charter operators said they offered standard benefits because teachers expect that. Professional development ranged from no opportunities outside of staff inservices, to several workshops and conferences per year. A few schools allow their teachers to control their own professional development budget, but most schools make those decisions at the site level. A few schools offer intensive training, especially the Montessori and Spalding schools. One school will pay for teacher training and certification if the teacher agrees to teach at the school for three years. Other schools expressed interest in making this a requirement of school-provided training. Many of the rural charter schools rely on creative school inservices to meet professional development needs. Also, a few schools complimented the State's regional resource centers as helpful in rural communities. Curriculum development is the most frequent reason for teacher meetings and training, and operators were quick to tell us that all teachers cannot develop curriculum and some require considerable training. Additionally, we learned that many teachers do not actually want the work that comes with curriculum development.

School leaders said the Arizona Department of Education's special education workshops were enormously helpful, but the other state-sponsored workshops did not seem to be helpful or well-attended. Also, we heard that special education training was needed earlier in the charter operation process and more is still needed. Special education is the one area that charter schools universally said they have had to add staff or expertise, and most schools anticipate adding more staff in this area.

One of the potential weaknesses we observed in charter schools is the fact that many schools are dependent on one person, usually the founder. We also noticed and heard about the stress of operating a charter school and the effect this stress has had on marriages, families and health. We noticed less operational stress in schools started by existing organizations. The start-up schools seems to experience the greatest amount of stress. Some school leaders talked about the need to train people within the organization to relieve stress and plan for the future. We characterize most of these charter school leaders as missionaries and devoted to making a difference in education. We also noticed the struggles of small schools who do not benefit from any economies of scale. Many of these schools have made a choice to remain small and financially challenged, and relief may not be in sight for these people. Overall, these charter schools had qualified employees and hard-working leaders.

Business Development

Most of the charter school operations we visited are non-profit entities, and a few are affiliated with or were spawned from social service agencies. One of the schools is officially affiliated with a community college and one is affiliated with the jail system. We observed creativity in organizational structures, ranging from a team of social workers managing a school, community college leaders serving on a board, teachers managing their own school and husband and wife teams directing the organization. The most typical component of charter leaders is the fact that they wear several hats and have diverse duties that force them to be creative.

About one-quarter of the schools have shrinking enrollments and 75 percent currently have waiting lists in most grade levels. Several schools are limited by their facility size, rather than by their ability to serve more students. More elementary schools have waiting lists than high schools, and several high school leaders said they had waiting lists in the first three years but have vacancies due to increased competition.

Twelve percent of the schools in this study are for-profit entities, 85 percent are non-profits and three percent are operated by another governmental entity. The most frequent number of governing board members is 5, and the average is 6 members. The range of governing board members is from 3 to twelve. One-half of governing board members said they added members to their board after a 1996 Attorney General's opinion subjecting charter schools to the Open Meeting Law. All but two governing boards serve in an advisory and policymaking role rather than as an operational, hands-on board. One school board member described his board as "market-driven, allowing for growth." Several schools described fundraising as the most important role of the board. Many schools described creative organizational arrangements, such as shared facilities with a like organization, parent committees and community-based advisory committees. Parent advisory boards have varying responsibilities and only formally exist in one-half of the schools.

One-half of the governing boards have experienced legal problems, the most frequent of which is issues related to personnel. Special education, planning and zoning and charter revocation have also caused legal issues for some of the schools. Schools report spending from between $10,000 to $100,000 on legal expenses over the past five years.

Charter parents, board members and operators described an increased need for marketing due to charter school competition. Those schools with consistent waiting lists said their only form of marketing was word of mouth. The schools that have declining enrollments, no waiting lists or partial waiting lists described their marketing efforts as relatively ineffective. A few schools have hired marketing firms and/or consultants to aid their efforts. Charter schools spent an average of $9,000 per year on marketing over the last five years. Two schools said they spent as much as $25,000 per year.

A few schools have started community projects to elevate their school's visibility, such as performing in the Harlem Nutcracker or the Heart Association's Jumpathon. Other high schools are working to create a feeder system with local elementary schools. One school started a "bring a friend to school" program to increase enrollment. A few schools with perpetual waiting lists conduct some marketing efforts to boost community awareness and enhance fundraising activities, not to increase enrollment. Three school operators said their enrollment increases significantly after the 100th day count at the local district (the assumption is that students leave schools after districts receive funding for them).

Generally, schools have established goals for marketing and are measuring different mediums against these goals.

TYPE OF ADVERTISING USED BY CHARTER SCHOOLS	
Brochures	5
Community Meetings/Performances	3
Door Hangers	4
Flyers	7
Local District Counselors	4
Mass Mailings	4
Newspapers	11
Radio	6
Social Service Agencies	3
Television	2
Theatres	2
Video	2
Word of Mouth	15
Yellow page advertisements	2

Operationally, school leaders report less contracting out for services in recent years as their schools develop in-house expertise. Some schools, especially rural schools, said it is challenging to find contractors to perform specialized services. Generally, school leaders said school operations have become smoother and governance issues are fewer than in the first two years. Also, schools are better able to predict fluctuations in enrollment, time delays in facility location and internal turnover.

Charter school leaders described creative facility arrangements including leasing from a local school district, leasing from a social service agency, sharing space with a community college, and sharing space with a court. Seventy-five percent of the schools lease facilities. Only a few schools have models for their facilities and are actively trying to replicate these models. Most schools locate in buildings that are affordable, require little renovation and are in a suitable location. Ten school operators reported hostile encounters with neighbors when trying to locate or renovate a facility. School operators also complained of expensive renovation costs to get buildings within compliance, such as a $20,000 chair lift, a $15,000 elevator and a $20,000 sprinkler system, among other things. On average, charter schools in our study spent about $1,436 dollars per student on capital during the 1998-99 school year. The statewide charter school per pupil expenditure for capital during this same school year was $1,614.

PER PUPIL SPENDING ON CAPITAL 1998-99 School Year	
Arizona Career Academy	$2,223
Arizona Montessori Charter School	$226
Arizona School for the Arts	$295
ATOP Academy	$391
Benjamin Franklin	$1,304
Bennett Academy	$492
Carmel	$1,593
Casy	$142
Copper Canyon Academy	$419
Edge Charter School	$334
EduPreneurship	$625
EduPrize	$1,199
Excel	$116
Foothills Academy	$219
Heritage Academy	$2,062
IntelliSchool	$2,127
Kingman Academy of Learning	$2,927
Life School	$1,310
Mesa Arts Academy	$114
Mingus Springs	$457
New School for the Arts	$5,163
Northern AZ Academy	$2,125
Pimeria Alta	$273
Pine Forest	$4,644
PPEP Tec	$78
Scottsdale Horizon	$498
Sedona Charter School	$718
Teen Choice Leadership	$1,965
Tol Chii Kooh Charter School	$4,674
Valley Academy	$4,706

Ventana Academic Charter School	$530
Villa Montessori	$573

Source: Annual Report of the Arizona Superintendent of Public Instruction, figures are per charter operation

Finance/Reporting

We interviewed board members, operators and administrative staff to learn about finance, budgeting and reporting. Most school operators said their budgets are developed by teams of people, some including only an accountant, the school operator and a board member, some very large committees including parents, teachers and board members. Most on-site financial decisions are made by the principal/executive director with certain spending limitations. We were informed that these processes are irrelevant because there is very little discretionary money in either the budgeting or spending process. All of the multi-site school operations described an individual site budgeting process. Nearly all school leaders reported that the budgeting process has gotten easier and more accurate over the years. Several schools said an internal purchase order process made accounting procedures notably easier.

School leaders had varying experiences with reporting prior to operating a charter school. One school leader spent a year shadowing a traditional district principal to learn about reporting requirements. Overwhelmingly, student attendance reporting has been the most challenging report to master. Special education reporting is the second most frequently cited challenge. Most schools described an appreciation for attempted improvements to reporting mechanisms, especially the electronic reporting system. Schools commenting on the electronic reporting system said there are technical difficulties and they think the system was premature in implementation.

Several accounting firms and software companies have customized their operations to accommodate charter schools. A couple of schools that are part of larger organizations have a parent company or government entity that performs many bookkeeping and payroll services. The individual schools describe this as a helpful service, generally, but also somewhat inflexible. Those schools with exceptions to the USFRCS and procurement describe these exceptions as opportunities to save significant money and to make reports more meaningful to parents[5]. About 40 percent of the schools perform accounting services in-house, about 30 percent use an accounting firm, and about 30 percent use Arizona Business Solutions, an Arizona-based full-service school management firm. About six schools used Arizona Business Solutions or an outside accounting firm in the first few years, but now perform these services in-house. A couple of schools went the other direction, starting in-house and now contracting out.

SCHOOLS WITH USFRCS/PROCUREMENT EXCEPTIONS
Arizona Call-A-Teen
Arizona Montessori
Arizona School for the Arts
Benjamin Franklin
Carmel Community Integrated Arts
EduPreneurship
Excel
Gateway (USFRCS only)
Heritage Academy

[5] USFRCS and procurement exceptions may be granted to a charter school by either the State Board of Education (SBE) or the State Board for Charter Schools (SBCS). The SBCS has granted dozens of exceptions and schools commit to using Generally Accepted Accounting Procedures and Generally Accepted Auditing Standards in lieu of the USFRCS and state procurement. These schools remain subject to all reporting and auditing requirements.

IntelliSchool
Life School
Montessori Charter School of Flagstaff
New School for the Arts
Northern Arizona Academy
Pimeria Alta
PPEP TEC
Villa Montessori

Several schools complained that the Department of Education loses reports on a regular basis. Schools even described sending reports via certified mail and still having to resubmit the reports due to misplacement within the Department of Education. There was also routine complaints of redundancy and duplication of reports with little explanation or assistance. School operators described a sense of having limited time and resources to complete reports, and the frustration they feel when they have to complete reports more than once or fill out duplicative reports. Several schools said completing reports was a full-time job by the second year of operation and that they had to hire administrative staff to do nothing but complete reports.

Those schools receiving federal money, 24 of the schools, reported that the federal reporting was time consuming but not surprising. Many of these school leaders had a staff member with experience in federal program reporting to help establish a good process.

SCHOOLS RECEIVING FEDERAL FUNDING 1998-99 School Year
Academy of Lifelong Learning
Arizona Call-A-Teen
Arizona Career Academy
Arizona Montessori
ATOP Academy
Carmel
Central City Academy
Copper Canyon Academy
Dragonfleye
Edge
EduPreneurship
Edu-Prize
Excel
Kingman Academy of Learning
Mesa Arts Academy
Mingus Springs Charter School
NFL YET Academy
Northern AZ Academy
Pimeria Alta
Pine Forest
PPEP Tec
Sedona Charter Schools
Teen Choice Leadership Academy
Villa Montessori

Source: Annual Report of the Arizona Superintendent of Public Instruction, 1998-99

All but one charter operator said the reporting requirements were more onerous than they thought when signing their charter contract. All of the charter school operators said the reporting requirements are more numerous now than when they signed their charter. A few people said they would not have signed the charter had they known about the requirements. Three charter leaders described regulatory encroachment as the largest challenge to the charter school movement.

The interviewers noticed that business decisions were not necessarily being made by a person with business experience. It was also noted that most governing boards were not involved in the accounting/reporting process, even if board members had appropriate experience. There was also a prevalence of reports being completed by one person and spending decisions being made by one person.

Sponsorship

Of the charter schools receiving a charter in 1995, 20 were sponsored by the State Board of Education (SBE), 25 were sponsored by the State Board for Charter Schools (SBCS), and 5 were sponsored by school district governing boards. Of those schools sponsored by districts, three closed (two in 1997, one in 1996) one opened in 1996 and one transferred to another district in 1996. Of those schools sponsored by the State Board of Education, two had their charter revoked, one surrendered its charter, one signed a new charter in 1999, and two transferred to the State Board for Charter Schools in 1999. Of those schools sponsored by the State Board for Charter Schools, three opened in 1996.

Surprisingly, a few school operators and several school board members and parents did not know which entity sponsored their charter school. Most of the schools sponsored by the SBCS described communication with their sponsor on a monthly basis, usually by telephone. Many of these schools also talked about the newsletter produced by board staff and its helpfulness. All but two of the SBCS schools described their relationship with their sponsor as very good or excellent. One school said their relationship started off excellent and has declined, and another described an improving relationship. All but one of the SBCS schools said the charter amendment process has improved and that staff stability is much improved over the first two years of charter operation. These schools also described SBCS board members as accessible and responsive. These schools said they had no problems getting on SBCS monthly meeting agendas and they had issues addressed in a timely manner.

SBCS schools believe their sponsor holds them accountable through audits, reports, student test scores and parent complaints. Several schools reported that most of their communication with SBCS staff deals with parent complaints and investigations. School leaders complained of infrequent visits and would like their sponsor to spend more time in the schools.

Most schools sponsored by the SBE said they had infrequent communication with their sponsors and a few schools reported monthly communication via telephone or fax. Several schools complained of difficulty getting amendments approved, most of which was a result of not getting on a SBE meeting agenda. A few SBE schools said they had "no" relationship or a "distant" relationship with their sponsor. Several schools described an improving relationship due to stability in staff and, specifically, the current charter school director for the SBE. Many of the SBE schools said it is difficult to discern between the SBE and the Department of Education, and this may cause confusion.

Schools generally complained about staff turnover for both boards and a sense that the staffs are overworked. All schools reported that they did not receive technical assistance from their sponsor. All schools thought their sponsor would be supportive of charter contract amendments. All schools also thought their sponsors read reports and other written correspondences and they count on hearing from their sponsor whenever the school has a problem.

A majority of charter school leaders have reviewed their charter application and contract in recent months, many in preparation for participation in this study. All of the school leaders think they are following the philosophy of their charter application and a majority feel they are following the letter of their charter application. A few schools have prepared wholesale amendments as a result of participating in this study and looking at their operation versus their charter application.

Most charter school operators, parents and board members think they are successful simply because they are following their charter. Specifically, many school leaders think their schools are successful because students are performing academically and personally and because school leaders are tracking student progress through multiple measures. A few charter school operators noticed that their charter applications contained very few measurable goals and were, instead, filled with marketing information. Most of these schools have created amendments to make their charter application more closely mirror their operation.

THE CHARTERING PROCESS

Introduction

When the charter school law was passed in 1994, the legislation provided a list of information that was to be provided by applicants to the sponsoring entity. However, before the first school opened, the legislature began amending the law. Sponsors and applicants worked furiously to get their programs in place. Twenty five schools were approved by the State Board of Charter Schools, 20 by the State Board of Education, and five by local school districts. Five schools took a year to plan before opening. In the fall of 1995, 46 charter schools opened their doors. At that point, Arizona had more charter schools than any other state except California. Almost 70 percent of the schools were located in Maricopa County.

Across the state and nation, the media has remained focused on Arizona's charter schools. Every issue that has arisen has been covered extensively and has caused numerous attempts by the legislature to address each issue. While a number of changes have been adopted, the chartering process required by legislation has not changed significantly over the past five years. However, sponsors have learned a great deal about what to look for in an application and how to elicit information from an applicant. Applicants have also become much more sophisticated and have benefited from the knowledge gained by charter school pioneers. Both of these groups look to successful schools, as well as those that have failed, to learn from their experiences.

Legislative Requirements

Charters were originally granted for a period of five years with renewals in seven year increments, but the law was changed in 1996. Currently, charters are granted for fifteen years with reviews at five year intervals. This law was retroactive, so that existing charters were extended to fifteen years.

According to ARS §15-183 which describes the application, it may include a mission statement for the charter school, a description of the charter school's organizational structure and the governing body, a financial plan for the first three years of operation, a description of the charter school's hiring policy, the name of the charter school's applicant or applicants and requested sponsor, a description of the charter school's facility and the location of the school, a description of the grades being served and an outline of criteria designed to measure the effectiveness of the school. A business plan requirement was added to the law in 2000.

The law also requires that the charter make certain assurances. Applicants must agree to comply with federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance and that it is nonsectarian in its programs, admission policies and employment practices and all other operations. They must also agree to comply with all federal and state laws relating to the education of children with disabilities. These assurances are part of the contract which will be discussed in detail later.

ARS §15-183 also imposes requirements as to the operation of the school. These requirements have been incorporated into the application so that sponsors know how these provisions will be met. Schools must design a method to measure student progress in mastering the outcomes adopted by the state. Schools must agree to participate in the Arizona Instrument to Measure Standards test and the nationally standardized norm-referenced achievement test as designated by the State Board of Education.

The law also requires that schools provide for a governing body for the charter school that is responsible for the policy making decisions of the charter school. During the 2000 legislative session, the requirement that governing bodies also be responsible for operational decisions was removed. The

charter must also include a description of the charter school's personnel policies, personnel qualifications, method of school governance and the specific role and duties of the sponsor of the charter school.

One of the first changes made by the legislature requires that fingerprint checks for all applicants must be conducted before the issuance of a charter. In addition, all non-certified personnel must undergo a fingerprint check. Later these provisions were expanded to allow the Arizona Department of Public Safety to exchange this information with the Federal Bureau of Investigation.

The Sponsors

According to Arizona law, three bodies can grant charters, the State Board of Education (SBE), the State Board for Charter Schools (SBCS), and any public school district. The decision to approve or reject an application is at the sole discretion of the sponsor. Each of these entities have their own application and approval process. The SBE and the SBCS are required to adopt rules for their own governance. Both boards began developing rules in 1997 and are in different stages of completion.

Sponsors can enter into a contract with a public body, private person or private organization. Charter schools can operate as non-profit or for-profit organizations. If an application is rejected, the sponsor can provide technical assistance to improve the application, after which it can be resubmitted.

Prior to 1998, the SBE had application review subcommittees comprised of members of the SBE who reviewed the applications with applicants and made recommendations to the full board. In 1998, the process was formalized and now the subcommittee members are appointed and include 1 representative with architectural experience, 2 curriculum experts, 1 successful charter school operator, 1 SBE board member, and one member from a city planning and zoning department. The director of the charter division of the SBE attends the meetings and acts as a facilitator, but does not vote.

The sub-committee meets four times a year. Applications are provided to the subcommittee members 3-4 weeks prior to their meetings to provide them with time to evaluate the applications. Applicants come before the subcommittee meetings to answer questions and provide any needed clarification. The committee votes to recommend approval or denial. However, the final decision is made by the SBE Board.

The State Board for Charter Schools was created by the original legislation, §ARS 15-182. Prior to 1997, the SBCS had six appointed members in addition to the Superintendent of Public Instruction. Currently, the Board is comprised of the superintendent or the superintendent's designee, six members of the general public, at least two of whom must reside in a school district where at least sixty per cent of the children who attend school in the district meet the eligibility requirements established under the national school lunch and child nutrition acts for free lunches and who are appointed by the governor, and two members of the business community, also appointed by the governor. These voting members serve for four years. In addition, three members of the legislature are appointed jointly by the president of the senate and the speaker of the house of representatives to serve in an advisory capacity. Advisory members serve two year terms. The superintendent serves a term that is concurrent with their term in office. Board members are not compensated but are eligible for reimbursement of expenses.

The board is to exercise supervision over the schools it sponsors and recommend legislation pertaining to charter schools to the legislature. The board can sue and be sued. Board meetings are governed by the open meeting law and must be publicized and open to the public.

School district applications and contracts are modeled after the two state boards' materials. An applicant for a charter school may submit its application to a school district governing board, which must either

accept or reject the application within ninety days. If rejected, the applicant may request, and the governing board may provide, technical assistance to improve the application.

In 1995, five districts each sponsored a single school, located within their own district. The next year, 20 schools were chartered by 6 districts. Many of the schools were outside the district boundaries. In 1997, the tiny Snowflake District sponsored 5 schools, all outside their district. Three other districts sponsored a total of five schools, three within district boundaries and two outside of district boundaries. The trend for small districts to charter continued the following year when the Higley District granted 27 charters, all of which were outside their district. Snowflake sponsored two schools that year. In 1999 the Higley District added 6 charters, while Peach Springs, another small district, chartered 9 schools. All of these schools were outside of Higley and Peach Springs district boundaries. The Vail District sponsored one school within its boundaries.

In 1998, both Ganado Unified and later Window Rock Unified School Districts gave all of their charter schools a deadline of June 1999 to find new sponsors. The districts cited administrative overload as reason for their decision.

During the 2000 legislative session, Senate Bill 1302 was adopted. This bill will have a significant impact on the chartering process. The law which went into effect on July 1, takes away the differences between the two sponsoring boards and the districts. Previously, districts had no limit on the number of schools they could sponsor (including those outside their boundaries) while the other two bodies were limited to 25 approvals a year. School district sponsors under the previous law had no liability for schools they sponsor and were able to take a percentage of a charter school's funding to cover overhead. This has caused some small districts to sponsor many more schools than are in their own district and enjoy significant financial gains without accepting responsibility for the schools (even though some districts exercised considerable oversight). Districts have also sponsored schools located hundreds of miles away which makes oversight challenging.

This structure created poor incentives. The two boards might be forced to turn away qualified applicants because of the cap, while district sponsors could grant unlimited charters without the accompanying accountability. The new law addresses these problems. The caps on SBCS and SBE sponsorship are lifted. This has allowed schools sponsored by districts to apply to the two boards, which a number of schools are doing.

In addition, SB1302 also changed the law to allow districts to sponsor only schools located within the physical boundaries of their district. Schools chartered by districts prior to July 1, 2000, but located outside the district, are grandfathered provided the district is in general financial and reporting compliance. If a district is out of financial compliance for two consecutive years, all charters they sponsor must transfer sponsorship to another entity. In addition, any district that has been determined to be out of compliance with the Uniform System of Financial Records during either of the two previous fiscal years, cannot sponsor any new or transferring schools. Schools that are required to transfer their sponsorship can apply to either the SBE, the SBCS or the school district board where it is located. The SBE and SBCS are required to accept these transfers, but can require the applicant to sign a new charter agreement. Application for transfer must come within 45 days of notification, but a 30 day extension can be granted for good cause.

The new law also removes the current statute that exempts a governing board, its agents and employees from liability for acts or omissions of a charter school sponsored by the school district. This change makes districts that charter accountable for their schools, just as the other sponsors are.

The Application

The charter school application is a very important document. Unlike other types of applications that are used for some type of admission or acceptance and then filed away and forgotten, the charter school application is essentially a blueprint for a school. The contract between the school and sponsor requires that schools adhere to the applications. Applications for charters that are granted are kept on file with the sponsor and are available to the public. New applicants often consult past applications as a guide for their own applications.

Prior to the first school opening in 1994, legislation was added that required that all applicants submit a full set of fingerprints to the approving agency for the purpose of obtaining a state and federal criminal records check. The criminal records check must be completed prior to the issuance of a charter. All non-certified personnel must submit to a fingerprint check. Schools are responsible for these checks and for decisions related to the fingerprint findings. Until recently, the two state boards required fingerprints and credit checks for all applicants and board members. However, the State Board for Charter Schools recently changed their policy and now only requires fingerprints and credit checks on the applicant. Schools are responsible for board member checks. The credit checks and board member fingerprints are not mandated by legislation, but may be required by the sponsors. It is possible that these requirements would not withstand a legal challenge.

The legislation enacted in 2000 requires that all applicants submit a three year business plan. The SBCS application originally had a market research requirement, but it was eliminated in 1998. As previously mentioned, Senate Bill 1302 also requires that all new applicants, as well as schools seeking renewal of their charter, submit a detailed business plan.

The original application requirements of the SBE and SBCS were based on the legislation and have not changed significantly. However, many early applications were long on philosophy and short on facts. In order to help prospective operators determine the information they will need in order to be successful, the guidelines and formatting requirements have become much more specific. The applications are also more precise about the length of narratives and the topics to be covered. Many of these changes were driven by the experiences of existing charter schools. Both boards offer workshops to guide applicants through the chartering process. In addition, the Department of Education offers a Charter Schools Handbook and USFRCS Manual, for a nominal fee.

The SBCS application now includes an information sheet that allows for a brief mission statement and basic facts about the school, its organization, and facilities. It also requires a one-page narrative describing the school's curriculum. Applicants must also complete a curricular spreadsheet that was added in 1997. On the spreadsheet applicants must detail goals (what are you going to do?), objectives/outcomes (how are you going to do it?), and measurement criteria (how will you know it worked? Include percent of students mastering a concept at a certain level.). A curriculum sample for every grade to be served must be included and must comply with the Arizona State Academic Standards. The original application required only goals and measurement criteria. Detailed budget worksheets must be completed for years one, two and three. A one-to-two page narrative is allowed to provide any information not covered in the application. This might include the focus of the school, the target population, or the role of parents. Schools must also submit a technology plan.

In early applications, special education was often handled with a general statement that the applicant would "comply with all federal and state laws relating to the education of youth with disabilities." In 1997 the SBCS instituted a requirement that applicants describe the school's "policies and/or procedures for special education and the availability of appropriately certified/licensed personnel to implement your

special education program." Twelve sub-topics are listed that must be addressed in the two page narrative.

The SBE application is similar to that of the SBCS. The fact sheet has room for a brief mission statement and basic information about the school and the proposed facilities. It requires one page of background information for each applicant, a 1 to 2 page executive summary, and one page of measurable goals. The narrative portion of the application now has detailed requirements. The curriculum is to be described in three pages of narrative that address curriculum, instructional, and assessment alignment to the state standards, methodology, assessments in addition to state requirements, and the grading system. In addition, a curriculum appendix is to be submitted that includes a sample of the curriculum, its scope and sequence, and clearly defined benchmarks.

The organization narrative is limited to five pages and must include a description of the population to be served, enrollment projections and marketing plans, the internal organizational structure of the school, parent/community involvement, and the preparation and planning that has been done toward creation of the school. The operations narrative is limited to 4 pages and must include a school calendar, staffing requirements and job descriptions, employment policies and procedures, and transportation services. Forms are provided for the budget and include an operating budget for year one, a three-year budget, and a cash flow analysis for year one. The special education narrative must address policies and procedures for 12 areas and describe how they will provide appropriately certified/licensed personnel. Applicants must also submit three-to-five letters of support from educators or community members who have reviewed the application.

In 1995, schools were able to apply for stimulus funds. These funds were available to help schools with the costs associated with opening a school. While the maximum amount available for each school was $100,000, the average received was about $22,000. Although this law is still on the books, the legislature has not allocated budgeted funds for it since fiscal year 1999.

The Contract

After a charter is approved, the school must sign a contract with the sponsor. Both the SBE and the SBCS completed a major overhaul of their contracts in 1997. The new contracts offer more specific terms and responsibilities of both parties.

The SBE contract now lists all changes requiring amendments and those requiring written notification. Originally all changes, even something as minor as a phone number change, required an amendment. This was burdensome to both schools and the SBE. Insurance requirements are also much more specific. The revised contract also enumerates the number of school days, the number of sites, and the number of students allowed. Previously, these topics were covered by referring to the application. Schools must also include proof that they have contracted with an Internet service provider at a minimum of 56KB for electronic information exchange with the Arizona Department of Education. Applicants must also initial key portions of the contract to indicate that they have read and understand them.

The SBCS contract is very similar to that of SBE. The two major differences are that the SBCS requires amendments for fewer changes but does require written notification. It also requires insurance that is "in accordance with the laws of the state," while the SBE has specific requirements.

Support Systems

Probably the most profound change in the chartering process is that now there is a "map." Charter school pioneers in Arizona have been very generous in their support of new schools and in sharing information.

While much of the help is on an informal basis, organized assistance is becoming more available. The Arizona Charter Schools Association offers a support system, resources, and information and acts as a watchdog for legislation that might effect charter schools.

In 1999 the US Department of Education gave a grant to the Arizona Regional Resource Center (ARRC), headquartered in Tucson, to provide charter schools with technical assistance and to develop a web-based support center to serve charter schools throughout Arizona. The ARRC is considering expanding to serve other states in addition to Arizona.

Through the Goldwater Institute's Center for Market-Based Education, HELP! Teams have been established to provide information to charter school operators, governing board members, teachers, business management staff, contractors and others who contribute to the successful operation of a charter school. The rosters include only people who work hands-on with charter schools. In addition, several business management firms that work with existing charter schools have begun to offer help to start-ups in developing their budgets, finding and financing facilities, and a variety of other types of assistance.

Appendix A – Survey Letter to Determine Priorities

Dear Arizona Legislators:

As you may know, Arizona has the largest cohort of charter schools completing their fifth year throughout the country. The Goldwater Institute's Center for Market Based Education is conducting a case-by-case review of all of these schools and would appreciate your input.

Please consider the following subjects and rank them by order of importance (from 1 to 5, 1 being most important).

( ) Student achievement

( ) Financial data

( ) Program development

( ) Organizational data

( ) Statistical information

We would also appreciate any additional comments you may have. Please respond by e-mail to mogle@cmbe.org or fax to 602.256.7045.

We hope you will take a few minutes to answer our questions so that our final report will include the information that is important you as a policy maker.

Thank you for your time.

Mary Gifford
Melinda Ogle

Appendix B – Letter to Schools

February 19, 2000

Name
Address

RE: Five-year review

Dear

The Goldwater Institute's Center for Market Based Education is conducting a case by case study of all Arizona charter schools that are in their fifth year of operation. As a member of the first cohort of charter schools, your participation is vital to the study.

We expect to spend about four hours at each school. Ideally, this will include a brief school tour, two hours with the administration, 30 minutes with teachers, 30 minutes with governing board members, 30 minutes with parent representatives, and 15 minutes with student representatives. Because we would like input from these various sources, we are prepared to conform to your scheduling needs and would be happy to meet after school or in the evening. We realize that we are asking for a significant time commitment and are prepared to be as flexible as possible.

To make the best use of our time together, prior to our meeting if would be helpful if you would:

- Review your original application and amendments
- Review your most recent audit & exceptions
- Consider your original goals & objectives and how they have evolved over time
- Gather data on how you measure goals
- Gather information on how you measure, quantify, and demonstrate student achievement
- Consider how you integrate what you have learned into operations
- Consider what you see as the strengths and weaknesses in the chartering process
- Consider what you believe makes a charter school successful in general and specifically what makes your school successful

Unlike the Department of Education monitoring visits you have experienced, this process will focus on outcomes, rather than inputs. We are not interested in permits or paperwork.

We will contact you soon to schedule our visit. Feel free to call if you have any questions or comments. Thank you.

Sincerely,

Mary Gifford
Director

Melinda L. Ogle
Project Coordinator

Appendix C – Interview Protocol

DEMOGRAPHICS

1.1 Describe your population.
1.2 When your school opened, what population did you expect?
1.3 Has it changed over time?
1.4 Currently, are you serving the population that you are targeting?
1.5 If yes, how did you get to that point?
1.6 How have you modified programs and goals to attract your target population?

CURRICULUM

2.1 Describe the academic program currently in use at your school. - Teachers
2.2 How has it evolved? - Teachers
2.3 How has it changed from the description in your application? - Teachers
2.4 Did you have your curriculum in place when your school opened?
2.5 Who developed the curriculum - contract, purchase, or self-developed?
2.6 How have you aligned your curriculum to the state standards?
2.7 What was the cost of adjusting your curriculum to align with state standards– i.e. time lost and teacher training?
2.8 Are classroom assessments aligned with state standards?
2.9 If not, will they be in the future?
2.10 Who has input into the curriculum? Teachers? What is the role of parents? – Teachers, Parents
2.11 How do you assess the effectiveness of your curriculum? - Teachers
2.12 How do you assess the effectiveness of the teachers using the curriculum? - Teachers
2.13 How have your assessment strategies changed over time?
2.14 What causes you to change your curriculum/assessment?
2.15 How are special education students evaluated?

ACHIEVEMENT

3.1 Are you tracking student achievement over time?
3.2 If not, do you plan to?
3.3 What standardized assessments do you use?
3.4 Have these changed?
3.5 How do your internal assessment results compare to standardized test results?
3.6 Have you made adjustments to improve test scores? If so, how?
(example, introducing new material earlier in the year because it is on the Stanford 9)
3.7 How do you communicate achievement information to parents? - Parents
3.8 Do you assess new students?
3.9 If yes, what does it show?
3.10 What are your plans regarding achievement tests for the next two years?

STUDENT PERFORMANCE

4.1 What student performance goals have you set, other than achievement? (example, work force readiness, socialization) - Governing board, Parents, Teachers
4.2 How do you measure progress? - Teachers
4.3 Would you like to measure those goals more than you currently do? - Teachers
4.4 Are these goals integrated into your program? How? - Teachers
4.5 How is this different than what you proposed in your application?

PERSONNEL

5.1 How many employees do you have? In what positions?
5.2 How many employees did you originally have?
5.3 Describe occasions for staff additions.
5.4 Describe your turnover and causes.
5.5 What changes have you adopted in the type of people you hire (not qualifications, for instance, more administrative, more clerical, more teacher aids)?
5.6 Would you say that you hired the people that you needed?
5.7 How do you hold employees accountable?
5.8 How do you measure teacher performance?
5.9 How do you reward good performance?
5.10 Describe your contracts and benefits.
5.11 What services do you contract out?
5.12 Has that changed over time?
5.13 Describe your professional development program. What do you require/offer?
5.14 How has that changed over time?
5.15 How many days do you lose in a year to workshops, training?
5.16 Has that changed over time?
5.17 How do you handle substitutes and short term vacancies?
5.18 What are your personnel costs?
5.19 What are your personnel plans for the next two years?

BUSINESS DEVELOPMENT

6.1 Describe your organization. – Governing board
6.2 How has it changed over the past five years? – Governing board
6.3 Why?
6.4 Characterize the growth you have experienced. – Governing board
6.5 Is it different than you expected?
6.6 What do you contract out?
6.7 Why? For how long? Do you have plans to change?
6.8 What are your plans for future growth?
6.9 How do you plan to achieve those goals?
6.10 How do you market your school?
6.11 Describe the results of your marketing efforts.
6.12 Do you have a waiting list?
6.13 How has that changed over time?
6.14 What are your marketing plans for the future?
6.15 How much do your marketing efforts cost?
6.16 Describe your experience locating and acquiring facilities?
6.17 Did you purchase, lease or make other arrangements?
6.18 Is there a model for this process?
6.19 What obstacles did you face in securing a facility?
6.20 Describe your governing board. – Governing board
6.21 What role does the governing board have in - Governing board
Policy?
Operations?
Education programs?
6.22 Has that changed?
6.23 If so why?
6.24 Have you had any legal issues? – Governing board

6.25 If yes, what did it cost?
6.26 Are there any legal problems on the horizon? – Governing board
6.27 Do parents have a role in operations?

FINANCE/REPORTING

7.1 Who makes financial decisions on site?
7.2 Has that changed?
7.3 How is your budget developed?
7.4 How are the budget and expenditures reconciled?
7.5 Has this process improved over the past five years?
7.6 Describe your reporting requirements over the last 5 years.
7.7 What is your biggest reporting challenge?
7.8 What is your experience with federal reports?
7.9 Did you understand the reporting requirements when you received your charter? – Governing board
7.10 Have you been disciplined for failure to report?
7.11 For those with an exception to USFRCS – how has this changed your operations? How has it affected procurement?

SPONSORSHIP

8.1 Describe your relationship with your sponsor? – Governing board
8.2 What kind of technical assistance do they provide?
8.3 How has that changed over time?
8.4 How frequently do you communicate with your sponsor?
8.5 What is the form of communication?
8.6 Describe your experience with amendments?
8.7 How does our sponsor hold you accountable? – Governing board
8.8 Has that changed over time?
8.9 Have you identified changes that need to be made in your application?
8.10 Will your sponsor be supportive? – Teachers, Parents, Governing board

Appendix D – October 1, 1999 Enrollment and Ethnicity

Charter	School Name	White	Black	Hispanic	Indian	Asian	Total
ABC ALTERNATIVE LEARNING	ABC ALTERNATIVE LEARNING CENTE	59.54%	10.69%	19.08%	7.63%	3.05%	131
ACADEMY OF LIFELONG LEARNING	ACADEMY OF LIFELONG LEARNING	75.00%	8.33%	8.33%	0.00%	8.33%	12
ARIZONA CALL A TEEN YOUTH	CALL-A-TEEN CENTER OF EXCELLEN	13.22%	16.09%	64.37%	5.75%	0.57%	174
ARIZONA CAREER ACADEMY	AZ CAREER ACADEMY TEMPE	49.55%	6.25%	40.18%	3.57%	0.45%	224
ARIZONA CAREER ACADEMY	AZ CAREER ACADEMY - MESA	58.54%	2.93%	30.73%	5.85%	1.95%	205
ARIZONA MONTESSORI CHARTER SCH	AZ MONTESSORI SCH - GLENDALE	68.25%	14.29%	11.64%	3.70%	2.12%	189
ARIZONA MONTESSORI CHARTER SCH	AZ MONTESSORI SCH - PRESCOTT	90.97%	0.69%	6.94%	0.69%	0.69%	144
ARIZONA SCHOOL FOR THE ARTS	ARIZONA SCHOOL FOR THE ARTS	81.65%	6.83%	6.83%	2.52%	2.16%	278
ATOP ACADEMY COLL PREPARATORY	ATOP ACADEMY - PHOENIX	7.22%	86.28%	5.42%	1.08%	0.00%	277
ATOP ACADEMY COLL PREPARATORY	ATOP ACADEMY - TEMPE	28.72%	61.70%	8.51%	1.06%	0.00%	94
AZTEC HIGH SCHOOL	THE LEARN CENTER SCHOOL	14.29%	4.29%	78.57%	2.86%	0.00%	70
BENJAMIN FRANKLIN CHARTER SCH	BENJAMIN FRANKLIN CHARTER SCH	87.82%	2.56%	6.41%	1.28%	1.92%	312
BENJAMIN FRANKLIN CHARTER SCH	BENJAMIN FRANKLIN CHARTER SCH	89.24%	0.00%	7.59%	1.69%	1.48%	474
BENJAMIN FRANKLIN CHARTER SCH	BENJAMIN FRANKLIN CHARTER SCH	90.08%	1.62%	6.28%	0.40%	1.62%	494
BENNETT ACADEMY	BENNETT ACADEMY	71.58%	7.37%	20.00%	0.00%	1.05%	95
CARMEL COMMUNITY INTEGRATED AR	CARMEL COMMUNITY INTEGRATED AR	62.12%	1.52%	30.30%	6.06%	0.00%	66
CARMEL COMMUNITY INTEGRATED AR	CARMEL COMMUNITY INTEGRATED AR	71.05%	0.00%	28.95%	0.00%	0.00%	38
CASY COUNTRY DAY SCHOOL	CASY COUNTRY DAY SCHOOL	86.07%	0.00%	7.38%	0.82%	5.74%	122
CASY COUNTRY DAY SCHOOL	CASY COUNTRY DAY SCHOOL	92.11%	0.00%	2.63%	0.00%	5.26%	38
DRAGONFLEYE CHARTER SCHOOL	DRAGONFLEYE CHARTER SCHOOL	80.34%	4.27%	11.11%	3.42%	0.85%	117
EDUPRENEURSHIP	EDUPRENEURSHIP-SCOTTSDALE	86.05%	0.00%	8.14%	3.49%	2.33%	86
EDUPRENEURSHIP	EDUPRENEURSHIP-PHOENIX	89.19%	0.00%	10.81%	0.00%	0.00%	37
EDU-PRIZE	EDU-PRIZE	90.24%	3.00%	4.32%	0.94%	1.50%	533
ESPERANZA CHARTER SCHOOL	ESPERANZA MONTESSORI ACADEMY	5.91%	4.93%	89.16%	0.00%	0.00%	609
ESPERANZA CHARTER SCHOOL	LOS MILAGROS ACADEMY	41.03%	2.56%	56.41%	0.00%	0.00%	117
EXCEL EDUCATION CENTER	EXCEL ED CTR - PRESCOTT	84.97%	0.65%	11.11%	3.27%	0.00%	153
EXCEL EDUCATION CENTER	EXCEL ED CTR - COTTONWOOD	76.56%	3.13%	10.94%	9.38%	0.00%	64
EXCEL EDUCATION CENTER	EXCEL ED CTR - WILLIAMS	79.41%	0.00%	20.59%	0.00%	0.00%	34
EXCEL EDUCATION CENTER	EXCEL ED CENTER PRESCOTT VALLE	83.54%	1.22%	9.15%	5.49%	0.61%	164
EXCEL EDUCATION CENTER	EXCEL EDUCATION CTR - SAN CARL	0.00%	0.00%	0.00%	100.00%	0.00%	57
EXCEL EDUCATION CENTER	EXCEL EDUCATION CTR FLAGSTAFF	55.15%	2.21%	19.12%	21.32%	2.21%	136
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	96.26%	0.00%	0.93%	1.87%	0.93%	107
GATEWAY COMMUNITY HIGH SCHOOL	GATEWAY COMMUNITY HIGH SCHOOL	63.51%	5.18%	24.77%	5.63%	0.90%	444

GREYHILLS ACADEMY	GREYHILLS ACADEMY HIG	0.20%	0.00%	0.00%	99.80%	0.00%	491
INTELLI-SCHOOL	INTELLI-SCHOOL/MAIN	68.97%	4.31%	20.69%	5.17%	0.86%	116
INTELLI-SCHOOL	INTELLI-SCHOOL/METRO CENTER	77.61%	3.73%	13.43%	2.99%	2.24%	134
INTELLI-SCHOOL	INTELLI-SCHOOL/MESA	85.71%	4.08%	10.20%	0.00%	0.00%	49
INTELLI-SCHOOL	INTELLI-SCHOOL/GLENDALE	87.18%	2.56%	10.26%	0.00%	0.00%	39
INTELLI-SCHOOL	INTELLI-SCHOOL/PARADISE VALLEY	74.60%	1.59%	19.05%	0.00%	4.76%	63
KINGMAN ACADEMY OF LEARNING	KINGMAN ACADEMY OF LEARNING -	92.09%	0.00%	5.14%	0.40%	2.37%	253
KINGMAN ACADEMY OF LEARNING	KINGMAN ACADEMY OF LEARNING -	91.07%	0.71%	5.00%	1.43%	1.79%	280
KINGMAN ACADEMY OF LEARNING	KINGMAN ACADEMY OF LEARNING -	91.93%	0.35%	5.26%	1.05%	1.40%	285
LIFE SCH COLLEGE PREPARATORY	LIFE COLLEGE PREPARATORY MESA	88.46%	0.00%	11.54%	0.00%	0.00%	26
LIFE SCH COLLEGE PREPARATORY	LIFE SCH COLL PREP - SHOW LOW	88.68%	1.89%	9.43%	0.00%	0.00%	53
LIFE SCH COLLEGE PREPARATORY	LIFE SCH COLL PREP - ST JOHNS	72.22%	0.00%	22.22%	5.56%	0.00%	36
LIFE SCH COLLEGE PREPARATORY	LIFE SCHL COLLGE PREP POWER RD	97.44%	0.00%	2.56%	0.00%	0.00%	39
LIFE SCH COLLEGE PREPARATORY	LIFE SCHL COLLEG PREP GILA VAL	90.16%	0.00%	8.20%	1.64%	0.00%	61
MESA ARTS ACADEMY	MESA ARTS ACADEMY	64.29%	6.59%	28.57%	0.00%	0.55%	182
MINGUS SPRINGS CHARTER SCHOOL	MINGUS SPRINGS CHARTER SCHOOL	94.44%	0.00%	5.56%	0.00%	0.00%	180
MONTESSORI CHT SCH OF FLAG	MONTESSORI SCH OF FLAG - CEDAR	89.09%	0.00%	9.09%	1.82%	0.00%	55
MONTESSORI CHT SCH OF FLAG	MONTESSORI SCH OF FLAG - SUNNY	84.62%	0.00%	7.69%	3.85%	3.85%	26
MONTESSORI CHT SCH OF FLAG	MONTESSORI SCH OF FLAG - WESTS	86.96%	0.00%	4.35%	2.17%	6.52%	46
MONTESSORI CHT SCH OF FLAG	MONTESSORI SCH OF FLAG - SWITZ	86.67%	0.00%	5.00%	3.33%	5.00%	60
NEW SCHOOL FOR THE ARTS	NEW SCHOOL FOR THE ARTS	82.52%	3.25%	8.54%	3.66%	2.03%	246
NORTHERN ARIZONA ACADEMY CAREE	NORTHERN AZ ACADEMY, WINSLOW	22.99%	2.30%	26.44%	48.28%	0.00%	87
NORTHERN ARIZONA ACADEMY CAREE	NORTHERN AZ ACADEMY, SHOWLOW	71.86%	2.01%	19.10%	7.04%	0.00%	199
NORTHERN ARIZONA ACADEMY CAREE	NORTHERN AZ ACADEMY - TAYLOR	69.86%	0.00%	17.81%	12.33%	0.00%	73
PCAE EDGE CHARTER SCHOOL	EDGE CHRTR SCHL HIMMEL PARK	44.90%	5.10%	39.80%	8.67%	1.53%	196
PCAE EDGE CHARTER SCHOOL	EDGE CHARTER SAHUARITA	58.33%	4.17%	37.50%	0.00%	0.00%	24
PIMERIA ALTA LEARNING	PIMERIA ALTA HIGH SCHOOL	13.74%	0.38%	85.88%	0.00%	0.00%	262
PINE FOREST CHARTER SCHOOL	PINE FOREST CHARTER SCHOOL	85.94%	0.52%	7.29%	4.17%	2.08%	192
PPEP TEC	PPEP TEC - AVONDALE	42.86%	0.00%	57.14%	0.00%	0.00%	28
PPEP TEC	PPEP TEC - CHANDLER	63.64%	0.00%	36.36%	0.00%	0.00%	44
PPEP TEC	PPEP TEC - CASA GRANDE	22.22%	0.00%	77.78%	0.00%	0.00%	36
PPEP TEC	PPEP TEC - DOUGLAS	41.18%	0.00%	56.86%	1.96%	0.00%	51
PPEP TEC	PPEP TEC - SAN LUIS	7.84%	0.00%	92.16%	0.00%	0.00%	51
PPEP TEC	PPEP TEC - SOMERTON	8.20%	0.00%	90.16%	1.64%	0.00%	61
PPEP TEC	PPEP TEC - SIERRA VISTA	45.65%	17.39%	28.26%	4.35%	4.35%	46
PPEP TEC	PPEP TEC - MARANA	87.50%	0.00%	8.33%	0.00%	4.17%	24
PPEP TEC	PPEP TEC - BROADWAY #1	72.41%	0.86%	25.86%	0.00%	0.86%	116
PPEP TEC	PPEP TEC - BISBEE	41.67%	0.00%	58.33%	0.00%	0.00%	36
PPEP TEC	PPEP TEC - TUCSON NW	71.58%	1.05%	26.32%	1.05%	0.00%	95

PPEP TEC	PPEP TEC - WILLCOX	52.63%	0.00%	44.74%	2.63%	0.00%	38
PPEP TEC	PPEP TEC - BROADWAY #2	72.38%	2.86%	23.81%	0.95%	0.00%	105
SCOTTSDALE HORIZON PRIMARY SCH	SCOTTSDALE HORIZONS - MAIN	78.87%	6.70%	8.25%	2.06%	4.12%	194
SCOTTSDALE HORIZON PRIMARY SCH	SCOTTSDALE HORIZONS - PEORIA	66.33%	13.27%	18.37%	2.04%	0.00%	98
SCOTTSDALE HORIZON PRIMARY SCH	SCOTTSDALE HORIZONS - W CENTRA	48.78%	21.95%	21.95%	2.44%	4.88%	41
SCOTTSDALE HORIZON PRIMARY SCH	SCOTTSDALE HORIZONS - SOUTH	12.50%	31.25%	56.25%	0.00%	0.00%	16
SEDONA CHARTER SCHOOL	SEDONA CHARTER SCHOOL	85.03%	3.40%	7.48%	1.36%	2.72%	147
TEEN CHOICE LEADERSHIP	TEEN CHOICE LEADERSHIP	5.59%	90.68%	3.73%	0.00%	0.00%	161
VALLEY ACADEMY INC	VALLEY ACADEMY INC	90.39%	1.24%	5.12%	0.00%	3.26%	645
VENTANA	VENTENA ACADEMIC SCHOOL	95.56%	0.74%	3.70%	0.00%	0.00%	135
VILLA MONTESSORI CHARTER SCH	VILLA MONTESSORI MAIN CAMPUS	86.31%	2.98%	5.95%	2.68%	2.08%	336
VILLA MONTESSORI CHARTER SCH	VILLA MONTESSORI - SCOTTSDALE	85.96%	1.75%	7.02%	1.75%	3.51%	57
	TOTAL	**65.00%**	**5.93%**	**22.30%**	**5.20%**	**1.32%**	**12,409**

Appendix E – 2000 Measure of Academic Progress

SCHOOL	READ GAIN 2-3	READ PR 2-3	READ GAIN 3-4	READ PR 3-4	READ GAIN 4-5	READ PR 4-5	READ GAIN 5-6	READ PR 5-6	READ GAIN 6-7	READ PR 6-7	READ GAIN 7-8	READ PR 7-8
AZ MONTESSORI - GLENDALE #1	xx	xx	xx	xx	xx	xx	xx	xx				
AZ MONTESSORI - PRESCOTT VALLEY #2	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	119	66
AZ SCHOOL/ARTS							158	xx	97	86	113	85
BENJAMIN FRANKLIN - MESA	100	70	88	76	123	75	106	65				
BENNETT ACADEMY							xx	xx	94	53	112	46
CARMEL COMM ARTS/TEC	xx	xx	xx	xx	xx	xx	xx	xx	111	31	xx	xx
CASY COUNTRY DAY	78	75	140	76								
CENTRAL CITY ACADEMY	xx	xx	xx	xx	xx	xx	xx	xx				
COPPER CANYON ACAD	145	46	147	20	xx	xx	154	61	xx	xx	100	42
DRAGONFLEYE	xx	xx	xx	xx	xx	xx	xx	xx			-63	41
EDUPRENEURSHIP - SCOTTSDALE	xx	xx	128	54	xx	xx	xx	xx	102	88	xx	xx
EDU-PRIZE	96	57	115	62	120	60	120	67	102	67	87	61
EXCEL - COTTONWOOD									xx	xx	xx	xx
EXCEL - PRESCOTT									xx	xx	xx	xx
FOOTHILLS ACADEMY							xx	xx	193	81	133	69
HERITAGE ACADEMY - MESA									67	xx	145	64
KINGMAN ACAD OF LRNG - INTERMEDIATE	87	xx	105	58	20	66						
KINGMAN ACAD OF LRNG - MIDDLE							107	xx	116	60	86	56
LIFE SCHL COLLGE PREP - DWNTWN MESA											xx	xx
MESA ARTS ACADEMY	54	32	148	39	225	29	158	38	84	53	91	68
MINGUS SPRINGS	96	50	141	35	21	59	202	54	168	51	184	48
MONTESSORI CHRTR - CEDAR	97	76										
MONTESSORI CHRTR - SWITZER	126	xx	136	85	101	83	256	64	xx	xx		
NFL YET	87	26	34	30	115	27	-43	33	86	32	111	26
PIMERIA ALTA MS									xx	xx	xx	xx
PINE FOREST	xx	xx	209	67	120	68	147	70	149	64	112	72
RIGHT STEP ACADEMY	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
SCOTTSDALE HORIZON	101	69	35	57	105	69	169	66	xx	xx	xx	xx
SEDONA CHARTER SCH	185	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
TEEN CHOICE LEADERSH	88	18	104	19	74	31	119	30	xx	xx	122	24
TOLANI LAKE ES ACAD			138	10	xx	xx	xx	xx				
VALLEY ACADEMY INC	60	75	118	70	44	67	245	73	99	78	133	68

VENTANA ACADEMIC	xx	xx	xx	xx	xx	xx						
VILLA MONTESSORI - MAIN	104	73	119	80	112	84	127	85	106	82	63	87

SCHOOL	MATH GAIN 2-3	MATH PR 2-3	MATH GAIN 3-4	MATH PR 3-4	MATH GAIN 4-5	MATH PR 4-5	MATH GAIN 5-6	MATH PR 5-6	MATH GAIN 6-7	MATH PR 6-7	MATH GAIN 7-8	MATH PR 7-8
AZ MONTESSORI - GLENDALE #1	xx	xx	33	31	xx	xx	xx	xx				
AZ MONTESSORI - PRESCOTT VALLEY #2	xx	xx	xx	xx	-7	75	xx	xx	xx	xx	59	45
AZ SCHOOL/ARTS							168	xx	50	85	49	78
BENJAMIN FRANKLIN - MESA	153	76	136	77	111	76	335	71				
BENNETT ACADEMY							xx	xx	85	44	131	43
CARMEL COMM ARTS/TEC	xx	xx	xx	xx	xx	xx	xx	xx	131	21	xx	xx
CASY COUNTRY DAY	110	89	166	77	xx	xx	xx	xx				
CENTRAL CITY ACADEMY	xx	xx	xx	xx	xx	xx	xx	xx				
COPPER CANYON ACAD	58	64	111	9	xx	xx	176	36	xx	xx	185	37
DRAGONFLEYE	xx	xx	xx	xx	xx	xx	xx	xx			453	26
EDUPRENEURSHIP - SCOTTSDALE	xx	xx	46	62	xx	xx	xx	xx	117	55	xx	xx
EDU-PRIZE	122	55	113	60	102	64	201	63	127	69	87	56
EXCEL - COTTONWOOD							xx	xx	xx	xx	xx	xx
EXCEL - PRESCOTT									xx	xx	xx	xx
FOOTHILLS ACADEMY							xx	xx	100	80	188	78
HERITAGE ACADEMY - MESA									124	xx	102	61
KINGMAN ACAD OF LRNG - INTERMEDIATE	94	xx	141	55	58	62	xx	xx				
KINGMAN ACAD OF LRNG - MIDDLE							217	xx	85	68	103	65
LIFE SCHL COLLGE PREP - DWNTWN MESA											xx	xx
MESA ARTS ACADEMY	63	47	217	39	213	33	205	55	311	54	196	79
MINGUS SPRINGS	139	26	157	24	59	53	167	41	107	51	141	38
MONTESSORI CHRTR - CEDAR	100	70										
MONTESSORI CHRTR - SWITZER	150	xx	139	81	94	71	255	57	xx	xx		
NFL YET	154	23	1	29	49	22	-123	41	90	28	191	21
PIMERIA ALTA MS									xx	xx	xx	xx
PINE FOREST	41	29	120	54	119	66	95	66	134	65	111	71
RIGHT STEP ACADEMY	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
SCOTTSDALE HORIZON	53	62	76	37	119	55	xx	xx	xx	xx	xx	xx
SEDONA CHARTER SCH	216	xx	xx	xx	144	xx	xx	xx	xx	xx	xx	xx
TEEN CHOICE LEADERSH	133	14	67	37	90	30	134	21	xx	xx	76	24
TOLANI LAKE ES ACAD	xx	xx	113	7	xx	xx	xx	xx				

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VALLEY ACADEMY INC	121	76	169	64	64	68	352	74	197	82	235	66
VENTANA ACADEMIC	xx	xx	xx	xx	xx	xx						
VILLA MONTESSORI - MAIN	202	67	163	86	161	87	261	89	110	89	50	93
VILLA MONTESSORI - SCOTTSDALE	xx	xx										

Appendix F – 2000 Stanford 9 Results

Charter Holder	Charter Site	Grade Tested	Percentile rank read	Percentile rank math	Percentile rank lang
CENTRAL CITY ACADEMY	CENTRAL CITY ACADEMY	6	37	39	16
CENTRAL CITY ACADEMY	CENTRAL CITY ACADEMY	5	32	22	18
CENTRAL CITY ACADEMY	CENTRAL CITY ACADEMY	4	53	40	39
CENTRAL CITY ACADEMY	CENTRAL CITY ACADEMY	3	67	66	59
CENTRAL CITY ACADEMY	CENTRAL CITY ACADEMY	2	65	64	59
AZ CALL A TEEN YOUTH	AZ CALL A TEEN YOUTH	11	10	16	16
AZ CALL A TEEN YOUTH	AZ CALL A TEEN YOUTH	10	23	28	26
AZ CALL A TEEN YOUTH	AZ CALL A TEEN YOUTH	9	29	31	26
AZ MONTESSORI CHARTE	GLENDALE #1	6	48	30	47
AZ MONTESSORI CHARTE	GLENDALE #1	5	31	17	20
AZ MONTESSORI CHARTE	GLENDALE #1	4	44	15	25
AZ MONTESSORI CHARTE	GLENDALE #1	3	31	30	36
AZ MONTESSORI CHARTE	GLENDALE #1	2	55	32	31
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	8	51	37	14
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	7	30	30	32
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	6	54	50	35
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	5	45	27	31
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	4	57	21	30
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	3	--	16	21
AZ MONTESSORI CHARTE	PRESCOTT VALLEY #2	2	29	20	14
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	11	80	63	79
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	10	79	68	80
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	9	74	75	80
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	8	85	72	86
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	7	81	78	84
AZ SCHOOL/ARTS	AZ SCHOOL/ARTS	6	82	73	69
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	8	--	--	--
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	7	--	--	--
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	6	--	--	--
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	5	--	--	--
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	4	--	--	--
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	3	25	21	30
RIGHT STEP ACADEMY	RIGHT STEP ACADEMY	2	43	41	24
AZ TEC HIGH SCHOOL	AZ TEC HIGH	11	13	20	16
AZ TEC HIGH SCHOOL	AZ TEC HIGH	10	7	17	6
AZ TEC HIGH SCHOOL	AZ TEC HIGH	9	10	17	9
BENJAMIN FRANKLIN	BEN FRANKLIN/MESA	6	74	88	67
BENJAMIN FRANKLIN	BEN FRANKLIN/MESA	5	77	74	58
BENJAMIN FRANKLIN	BEN FRANKLIN/MESA	4	76	80	70
BENJAMIN FRANKLIN	BEN FRANKLIN/MESA	3	72	80	76
BENJAMIN FRANKLIN	BEN FRANKLIN/MESA	2	59	67	56
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	11	--	--	--
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	10	--	--	--
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	9	16	28	10
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	8	35	36	36
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	7	35	27	29
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	6	46	36	39
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	5	28	11	25

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CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	4	39	36	35
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	3	48	38	50
CARMEL COMM ARTS & T	CARMEL COMM ARTS/TEC	2	39	36	38
EDUPRENEURSHIP	SCOTTSDALE	8	57	35	43
EDUPRENEURSHIP	SCOTTSDALE	7	79	52	71
EDUPRENEURSHIP	SCOTTSDALE	6	38	37	25
EDUPRENEURSHIP	SCOTTSDALE	5	71	70	61
EDUPRENEURSHIP	SCOTTSDALE	4	54	49	42
EDUPRENEURSHIP	SCOTTSDALE	3	12	7	21
EDUPRENEURSHIP	SCOTTSDALE	2	69	47	50
ESPIRITU COMM DEV	NFL YET	11	21	33	27
ESPIRITU COMM DEV	NFL YET	10	14	27	17
ESPIRITU COMM DEV	NFL YET	9	18	28	16
ESPIRITU COMM DEV	NFL YET	8	29	33	22
ESPIRITU COMM DEV	NFL YET	7	30	26	26
ESPIRITU COMM DEV	NFL YET	6	18	20	16
ESPIRITU COMM DEV	NFL YET	5	36	19	27
ESPIRITU COMM DEV	NFL YET	4	16	13	16
ESPIRITU COMM DEV	NFL YET	3	30	33	46
ESPIRITU COMM DEV	NFL YET	2	20	18	9
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	11	30	22	14
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	10	25	22	22
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	9	33	31	20
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	8	--	--	--
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	7	52	--	--
EXCEL EDUCATION CTR	EXCEL/COTTONWOOD	6	--	--	--
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	11	33	34	21
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	10	19	20	15
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	9	37	38	19
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	8	27	29	16
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	7	62	26	30
EXCEL EDUCATION CTR	EXCEL/PRESCOTT	6	--	--	--
HERITAGE ACAD INC	HERITAGE/MESA	11	59	56	57
HERITAGE ACAD INC	HERITAGE/MESA	10	54	54	62
HERITAGE ACAD INC	HERITAGE/MESA	9	53	62	53
HERITAGE ACAD INC	HERITAGE/MESA	8	70	68	70
HERITAGE ACAD INC	HERITAGE/MESA	7	63	73	67
INTELLI-SCHOOL	INTELLI-GLENDALE	11	44	35	37
INTELLI-SCHOOL	INTELLI-GLENDALE	10	47	39	48
INTELLI-SCHOOL	INTELLI-GLENDALE	9	54	54	35
INTELLI-SCHOOL	INTELLI-MAIN	11	44	40	38
INTELLI-SCHOOL	INTELLI-MAIN	10	37	33	30
INTELLI-SCHOOL	INTELLI-MAIN	9	34	47	23
INTELLI-SCHOOL	INTELLI-METRO	11	33	32	26
INTELLI-SCHOOL	INTELLI-METRO	10	33	38	30
INTELLI-SCHOOL	INTELLI-METRO	9	46	50	38
INTELLI-SCHOOL	INTELLI-METRO	6	--	--	--
INTELLI-SCHOOL	INTELLI-METRO	5	--	--	--
INTELLI-SCHOOL	INTELLI-PARADISE VLY	11	35	27	32
INTELLI-SCHOOL	INTELLI-PARADISE VLY	10	55	37	45
INTELLI-SCHOOL	INTELLI-PARADISE VLY	9	75	75	57
MINGUS SPRINGS	MINGUS SPRINGS	8	57	47	48

MINGUS SPRINGS	MINGUS SPRINGS	7	50	41	52
MINGUS SPRINGS	MINGUS SPRINGS	6	59	41	34
MINGUS SPRINGS	MINGUS SPRINGS	5	52	41	35
MINGUS SPRINGS	MINGUS SPRINGS	4	52	48	36
MINGUS SPRINGS	MINGUS SPRINGS	3	54	45	47
MINGUS SPRINGS	MINGUS SPRINGS	2	65	49	46
MONTESSORI CHARTER	MONTESSORI/CEDAR	3	82	66	78
MONTESSORI CHARTER	MONTESSORI/CEDAR	2	75	87	71
MONTESSORI CHARTER	MONTESSORI/SWITZER	7	--	--	--
MONTESSORI CHARTER	MONTESSORI/SWITZER	6	80	75	60
MONTESSORI CHARTER	MONTESSORI/SWITZER	5	78	68	62
MONTESSORI CHARTER	MONTESSORI/SWITZER	4	85	80	74
MONTESSORI CHARTER	MONTESSORI/SWITZER	3	78	73	83
MONTESSORI CHARTER	MONTESSORI/SWITZER	2	73	79	77
NORTHERN AZ ACAD CAR	NORTHERN/SHOW LOW	11	33	28	27
NORTHERN AZ ACAD CAR	NORTHERN/SHOW LOW	10	24	26	32
NORTHERN AZ ACAD CAR	NORTHERN/SHOW LOW	9	32	40	19
NORTHERN AZ ACAD CAR	NORTHERN/WINSLOW	11	18	20	20
NORTHERN AZ ACAD CAR	NORTHERN/WINSLOW	10	27	30	28
NORTHERN AZ ACAD CAR	NORTHERN/WINSLOW	9	15	39	22
PIMERIA ALTA LEARNIN	PIMERIA ALTA HS	11	19	23	15
PIMERIA ALTA LEARNIN	PIMERIA ALTA HS	10	13	21	13
PIMERIA ALTA LEARNIN	PIMERIA ALTA HS	9	20	27	11
PPEP TEC	PPEP TEC-TUC/INA	11	18	26	15
PPEP TEC	PPEP TEC-TUC/INA	10	21	32	26
PPEP TEC	PPEP TEC-TUC/INA	9	25	32	15
PPEP TEC	PPEP TEC-TUC/INA	8	27	18	4
PPEP TEC	PPEP TEC-TUC/INA	5	--	--	--
PPEP TEC	PPEP TEC-TUC/INA	3	--	--	--
PPEP TEC	PPEP TEC/WILLCOX	11	--	--	--
PPEP TEC	PPEP TEC/WILLCOX	10	--	--	--
PPEP TEC	PPEP TEC/WILLCOX	9	--	--	--
PPEP TEC	PPEP TEC-TUC/AJO	11	11	18	17
PPEP TEC	PPEP TEC-TUC/AJO	10	17	21	16
PPEP TEC	PPEP TEC-TUC/AJO	9	14	26	11
PPEP TEC	PPEP TEC-TUC/AJO	7	--	--	--
PPEP TEC	PPEP TEC-TUC/AJO	6	--	--	--
PPEP TEC	PPEP TEC-BISBEE	11	--	--	--
PPEP TEC	PPEP TEC-BISBEE	10	31	--	--
PPEP TEC	PPEP TEC-BISBEE	9	--	--	--
PPEP TEC	PPEP TEC-AVONDALE	11	--	--	--
PPEP TEC	PPEP TEC-AVONDALE	10	--	--	--
PPEP TEC	PPEP TEC-AVONDALE	9	19	22	27
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	8	76	60	77
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	7	--	--	--
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	6	67	26	45
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	5	67	53	56
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	4	36	22	42
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	3	52	42	44
SCOTTSDALE HORIZON	SCOTTSDALE HORIZON	2	47	26	38
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	8	63	43	74
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	7	85	72	83

SEDONA CHARTER SCHL	SEDONA CHARTER SCH	6	56	68	54
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	5	69	55	59
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	4	86	76	76
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	3	72	59	69
SEDONA CHARTER SCHL	SEDONA CHARTER SCH	2	78	58	60
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	8	25	23	20
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	7	20	18	14
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	6	23	26	17
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	5	19	20	23
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	4	23	23	20
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	3	14	28	18
TEEN CHOICE LEADERSH	TEEN CHOICE LEADERSH	2	26	32	--
VILLA MONTESSORI	MAIN CAMPUS	8	82	90	86
VILLA MONTESSORI	MAIN CAMPUS	7	78	90	88
VILLA MONTESSORI	MAIN CAMPUS	6	86	89	74
VILLA MONTESSORI	MAIN CAMPUS	5	86	93	71
VILLA MONTESSORI	MAIN CAMPUS	4	82	88	73
VILLA MONTESSORI	MAIN CAMPUS	3	74	84	77
VILLA MONTESSORI	MAIN CAMPUS	2	69	71	59
VILLA MONTESSORI	SCOTTSDALE CAMPUS	3	71	85	66
VILLA MONTESSORI	SCOTTSDALE CAMPUS	2	65	70	59
ARIZONA CAREER ACAD	AZ CAREER/TEMPE	11	27	23	22
ARIZONA CAREER ACAD	AZ CAREER/TEMPE	10	29	33	31
ARIZONA CAREER ACAD	AZ CAREER/TEMPE	9	24	27	14
BENNETT ACADEMY	BENNETT ACADEMY	8	52	49	37
BENNETT ACADEMY	BENNETT ACADEMY	7	57	49	54
BENNETT ACADEMY	BENNETT ACADEMY	6	52	51	38
CASY COUNTRY DAY	CASY COUNTRY DAY	4	82	86	70
CASY COUNTRY DAY	CASY COUNTRY DAY	3	73	86	80
CASY COUNTRY DAY	CASY COUNTRY DAY	2	79	90	78
COPPER CANYON ACAD	COPPER CANYON ACAD	11	21	42	21
COPPER CANYON ACAD	COPPER CANYON ACAD	10	23	31	29
COPPER CANYON ACAD	COPPER CANYON ACAD	9	30	31	21
COPPER CANYON ACAD	COPPER CANYON ACAD	8	43	40	38
COPPER CANYON ACAD	COPPER CANYON ACAD	7	57	38	45
COPPER CANYON ACAD	COPPER CANYON ACAD	6	44	44	34
COPPER CANYON ACAD	COPPER CANYON ACAD	5	39	36	34
COPPER CANYON ACAD	COPPER CANYON ACAD	4	39	32	30
COPPER CANYON ACAD	COPPER CANYON ACAD	3	44	34	40
COPPER CANYON ACAD	COPPER CANYON ACAD	2	39	41	38
DRAGONFLEYE CHARTER	DRAGONFLEYE	9	--	--	--
DRAGONFLEYE CHARTER	DRAGONFLEYE	8	34	60	35
DRAGONFLEYE CHARTER	DRAGONFLEYE	7	35	24	30
DRAGONFLEYE CHARTER	DRAGONFLEYE	6	40	27	31
DRAGONFLEYE CHARTER	DRAGONFLEYE	5	33	28	20
DRAGONFLEYE CHARTER	DRAGONFLEYE	4	27	21	23
DRAGONFLEYE CHARTER	DRAGONFLEYE	3	23	22	34
DRAGONFLEYE CHARTER	DRAGONFLEYE	2	11	12	11
EDU-PRIZE	EDU-PRIZE	8	72	63	71
EDU-PRIZE	EDU-PRIZE	7	62	67	67
EDU-PRIZE	EDU-PRIZE	6	67	69	62
EDU-PRIZE	EDU-PRIZE	5	66	68	59

EDU-PRIZE	EDU-PRIZE	4	72	68	64
EDU-PRIZE	EDU-PRIZE	3	55	59	62
EDU-PRIZE	EDU-PRIZE	2	67	65	60
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	11	nd	nd	nd
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	10	nd	nd	nd
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	9	nd	nd	nd
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	8	nd	nd	nd
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	7	nd	nd	nd
FOOTHILLS ACADEMY	FOOTHILLS ACADEMY	6	nd	nd	nd
GATEWAY COMMUNITY HS	GATEWAY COMMUNITY HS	11	45	36	36
GATEWAY COMMUNITY HS	GATEWAY COMMUNITY HS	10	44	43	56
GATEWAY COMMUNITY HS	GATEWAY COMMUNITY HS	9	31	18	22
GREYHILLS ACADEMY	GREYHILLS ACADEMY	11	17	26	24
GREYHILLS ACADEMY	GREYHILLS ACADEMY	10	16	26	23
GREYHILLS ACADEMY	GREYHILLS ACADEMY	9	15	29	19
KINGMAN ACAD/LRNG	KINGMAN INTERMEDIATE	5	56	54	47
KINGMAN ACAD/LRNG	KINGMAN INTERMEDIATE	4	59	66	55
KINGMAN ACAD/LRNG	KINGMAN INTERMEDIATE	3	51	48	49
KINGMAN ACAD/LRNG	KINGMAN MIDDLE	8	54	64	52
KINGMAN ACAD/LRNG	KINGMAN MIDDLE	7	60	65	62
KINGMAN ACAD/LRNG	KINGMAN MIDDLE	6	57	66	47
KINGMAN ACAD/LRNG	KINGMAN PRIMARY	2	59	62	52
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	11	--	--	--
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	10	33	24	42
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	9	33	24	20
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	8	--	--	--
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	7	--	--	--
LIFE SCH COLLEGE PRE	LIFE/DOWNTOWN MESA	6	--	--	--
MESA ARTS ACADEMY	MESA ARTS ACADEMY	8	62	76	61
MESA ARTS ACADEMY	MESA ARTS ACADEMY	7	40	78	44
MESA ARTS ACADEMY	MESA ARTS ACADEMY	6	55	64	47
MESA ARTS ACADEMY	MESA ARTS ACADEMY	5	48	63	33
MESA ARTS ACADEMY	MESA ARTS ACADEMY	4	54	69	61
MESA ARTS ACADEMY	MESA ARTS ACADEMY	3	30	41	41
MESA ARTS ACADEMY	MESA ARTS ACADEMY	2	27	46	24
NEW SCHOOL/ARTS	NEW SCHOOL/ARTS	11	60	54	58
NEW SCHOOL/ARTS	NEW SCHOOL/ARTS	10	60	47	61
NEW SCHOOL/ARTS	NEW SCHOOL/ARTS	9	58	61	57
PINE FOREST CHARTER	PINE FOREST	8	75	74	72
PINE FOREST CHARTER	PINE FOREST	7	68	60	64
PINE FOREST CHARTER	PINE FOREST	6	72	67	50
PINE FOREST CHARTER	PINE FOREST	5	69	61	43
PINE FOREST CHARTER	PINE FOREST	4	78	63	65
PINE FOREST CHARTER	PINE FOREST	3	37	23	29
PINE FOREST CHARTER	PINE FOREST	2	35	71	75
EDGE CHARTER HS	CHILD AND FAMILY RES	11	--	--	--
EDGE CHARTER HS	CHILD AND FAMILY RES	10	--	--	--
EDGE CHARTER HS	CHILD AND FAMILY RES	9	--	--	--
EDGE CHARTER HS	HIMMEL PARK	11	46	46	46
EDGE CHARTER HS	HIMMEL PARK	10	54	45	57
EDGE CHARTER HS	HIMMEL PARK	9	41	45	38
EDGE CHARTER HS	PASCUA YAQUI	10	--	--	--

EDGE CHARTER HS	PASCUA YAQUI	9	16	16	15
EDGE CHARTER HS	SAHUARITA	11	25	33	40
EDGE CHARTER HS	SAHUARITA	10	--	--	--
EDGE CHARTER HS	SAHUARITA	9	41	36	39
TOLANI LAKE ES ACAD	TOLANI LAKE ES ACAD	6	18	17	12
TOLANI LAKE ES ACAD	TOLANI LAKE ES ACAD	5	21	13	11
TOLANI LAKE ES ACAD	TOLANI LAKE ES ACAD	4	18	15	13
TOLANI LAKE ES ACAD	TOLANI LAKE ES ACAD	3	--	14	19
TOLANI LAKE ES ACAD	TOLANI LAKE ES ACAD	2	11	8	5
VALLEY ACADEMY INC	VALLEY ACADEMY INC	10	60	60	56
VALLEY ACADEMY INC	VALLEY ACADEMY INC	9	65	78	62
VALLEY ACADEMY INC	VALLEY ACADEMY INC	8	68	76	69
VALLEY ACADEMY INC	VALLEY ACADEMY INC	7	74	86	81
VALLEY ACADEMY INC	VALLEY ACADEMY INC	6	83	85	76
VALLEY ACADEMY INC	VALLEY ACADEMY INC	5	67	66	59
VALLEY ACADEMY INC	VALLEY ACADEMY INC	4	74	83	71
VALLEY ACADEMY INC	VALLEY ACADEMY INC	3	61	70	67
VALLEY ACADEMY INC	VALLEY ACADEMY INC	2	85	90	79
VENTANA ACADEMIC	VENTANA ACADEMIC	8	52	38	39
VENTANA ACADEMIC	VENTANA ACADEMIC	7	--	--	--
VENTANA ACADEMIC	VENTANA ACADEMIC	6	--	--	--
VENTANA ACADEMIC	VENTANA ACADEMIC	5	60	33	34
VENTANA ACADEMIC	VENTANA ACADEMIC	4	27	30	26
VENTANA ACADEMIC	VENTANA ACADEMIC	3	40	27	43
VENTANA ACADEMIC	VENTANA ACADEMIC	2	50	27	31

Appendix G – Parent Satisfaction Rating 2000, A+ = 4.3, A = 4, B =3, C = 2, D = 1, F = 0

Arizona Call-A-Teen Center for Excellence	3.05
Arizona Career Academy - Mesa	3.08
Arizona Career Academy - Tempe	3.55
Arizona School for the Arts	3.72
Benjamin Franklin Charter School - Gilbert	3.96
Benjamin Franklin Charter School - Mesa	4.06
Benjamin Franklin Charter School - Queen Creek	3.88
Carmel Community Arts and Technology	3.02
CASY Country Day School #1	3.86
Central City Academy	3.54
Dragonfleye Charter School	2.61
EduPrize	3.72
Excel Education Centers, Inc. - Chino Valley	3.2
Excel Education Centers, Inc. - Chino Valley, Middle Schools	2.91
Excel Education Centers, Inc. - Cottonwood	2.31
Excel Education Centers, Inc. - Flagstaff	3.33
Excel Education Centers, Inc. - Flagstaff	2.49
Excel Education Centers, Inc. - Prescott	3.35
Excel Education Centers, Inc. - Prescott Valley	2.39
Foothills Academy	3.33
Gateway Community High School	3.36
Heritage Academy	3.73
IntelliSchool - Metro	3.21
I S Benchmark Elementary School	3.12
LS Legends	2.41
Mesa Arts Academy	3.71
Mingus Springs Charter School	3.31
Montessori Charter School of Flagstaff - Cedar	3.51
New School for the Arts	3.26
NFL YET Academy	3.02
Northern AZ Academy for Career Development - Winslow	3.15
Peoria Horizons Charter School	1.77
Pimeria Alta Charter School	3.77
Pine Forest School	4.03
PPEP Tec – Celestino Ferndandeez Learning Center	3.16
Right Step Academy	3.44
Scottsdale Horizons Charter School	2.82
Sedona Charter School	3.85
Teen Choice Leadership Academy	3.46
Tempe Horizons Charter School	2.19
Valley Academy	3.88
Villa Montessori - Phoenix	3.9

Appendix H – Charter School Legislative History

Chronological Overview

Fiscal Year 1995 (July 1, 1994 – June 30, 1995)

The original enabling legislation of charter schools was enacted in June 1994, and applications began to arrive at the Department of Education soon thereafter. Even though no schools had opened, some fine-tuning of the law had already begun.

LEGISLATION
First Regular Session of the 42nd Legislature.

SB 1361.
This bill made many technical changes. Some of the more noteworthy are as follows:

- *Fingerprint checks for applicants of a charter school shall be conducted prior to the issuance of a charter. A.R.S 15-183(C)(3).*
- *All noncertificated personnel shall be fingerprint checked. A.R.S 15-183(C)(4).*
- *A sponsor may revoke a charter at any time if the charter school breaches one or more provisions of its charter. A.R.S 15-183(I).*
- *Charter schools do not have the authority to acquire property by eminent domain. A.R.S 15-183(M).*
- *A school district governing board and its agents and employees are not liable for any acts or omissions of a charter school that is sponsored by the school district, including acts or omissions relating to the application submitted by the charter school, the charter of the charter school, the operation of the charter school and the performance of the charter school. A.R.S 15-183(N).*
- *A sponsor other than a school district governing board, including members, officers and employees of the sponsor are immune from personal liability for all acts done and actions taken in good faith within the scope of their authority during duly constituted regular and special meetings. A.R.S 15-183(O).*
- *Requires sponsors to establish procedures to conduct an administrative hearing upon determination that grounds exist to revoke a charter. Final decisions of the State Board of Education and the State Board for Charter Schools from hearings conducted pursuant to this subsection are subject to judicial review. A.R.S 15-183(P).*
- *A charter school that is sponsored by a school district governing board, the state board of education or the state board for charter schools is eligible to participate in the Arizona state retirement system. A.R.S 15-187(C).*

Fiscal Year 1996 (July 1, 1995 – June 30, 1996)

# of Charters Approved	50
# of Charter School Sites	46
Charter School ADM	6,941
% of Total Arizona ADM	.96%
Charter School Revenues	$37,769,267
% of State Education Revenues	.98%

When the Arizona charter school law first passed, it was perceived as revolutionary. However, as schools began to open and children began to enroll the tone began to change. Many charter school proponents were placed in reactionary and defensive postures as often happens when a new policy begins to take shape.

The immediate concerns were to find facilities, advertise, raise money for start up costs, and deal with zoning regulations. Although in its first year, Arizona already had the second-highest number of charter schools in the country, behind only California, whose charter law went into effect one year earlier. Twenty-five schools had been approved by the State Board of Charter Schools, 21 by the State Board of Education, and five by local school districts. Of these, 46 charter schools opened their doors in the fall of 1995 with approximately 6,200 students. Even the most ardent supporters of charter schools had only planned on about ten schools opening in the first year. One Phoenix school already had a waiting list of almost 300 students and received applications from over 200 teachers. Thirty-two of the schools were located directly in Maricopa County.

The schools received approximately $4,000 in state funding per student with an opportunity to receive a grant of up to $100,000 from the stimulus fund authorized by the state legislature. However, the average individual grant per school was approximately $21,800. In spite of this many schools were forced to raise funds in the private sector in order to provide all of the basic necessities.

LEGISLATION
Second Regular Session of the 42nd Legislature

HB 2417. HB 2417 was an Omnibus Education bill and contained various provisions for charter schools. Some of the most noteworthy are as follows:

- More detailed provisions for fingerprint checks of charter school applicants were implemented and the Arizona Department of Public Safety was authorized to exchange this information with the Federal Bureau of Investigation. A.R.S 15-183(C).
- A charter school sponsor has no authority over a charter school sponsored by a different board, however the State Board of Education retains the authority to exercise general supervision over the entire public school system. A.R.S 15-183(D).
- Charter schools were required to secure insurance for liability and property loss and charter schools were allowed to participate in a public agency risk retention pool A.R.S 15-183(M).
- *Charter school sponsors and this state are not liable for the debts or financial obligations of a charter school or persons who operate charter schools. A.R.S 15-183(Q).*
- *A charter school shall give enrollment preference to pupils returning to the charter school in the second or any subsequent year of its operation and to siblings of pupils already enrolled in the charter school. A.R.S 15-184(A).*
- This bill modified the financial provision for charter schools sponsored by a school district. A charter school must be included in the district's budget and financial assistance calculations and the district must submit a description of the methods of funding the school. A district may increase its student count during the first year of the charter school's operation to include those pupils who were not previously enrolled in the school district. A.R.S 15-185.
- The sum of the ADA or ADM for a pupil enrolled in both a charter school and a public school that is not a charter school may not exceed one. A.R.S 15-185.

- A charter school, after the first 40 days in session of the current year, may request additional monies to fund the increased state aid due to anticipated student growth through the first 100 days of session. A.R.S 15-185.
- The base support level of charter schools will be reduced by any amount received from state or federal agencies for Maintenance and Operations purposes. Charter schools that were granted a charter prior to July 1, 1996 are exempted from this provision for two years. The bill allows either the charter school or its sponsor to terminate the charter if it is affected by the reduction. A.R.S 15-185.

HB 2384.

- This bill modified the membership of the State Board for Charter Schools by requiring that only one of the members of the general public had to reside in a neighborhood where a significant number of children reside who meet the eligibility requirements for the federal free-and reduced lunch program. Previously, all three members of the general public had to meet this requirement. Also, the requirement that two of the members must also serve on the State Board of Education was removed. A.R.S 15-182(A).
- *The Auditor General shall conduct a comprehensive review and revision of the Uniform System of Financial Records (USFR) to ensure that the provisions of the Uniform System of Financial Records that relate to charter schools are in accordance with commonly accepted accounting principles used by private business. A.R.S 15-183(E)(6).*
- The length of a charter was changed from five years with seven year renewals to fifteen years and reviews at five year intervals. A.R.S 15-183(I) and (J).
- Criteria for charter revocations were established. A sponsor must give written notice of its intent to revoke the charter including a statement of the reasons for the proposed revocation. A charter school is then allowed at least ninety days to correct the problems. The final decision of whether to revoke the charter will be made at a public hearing. A.R.S 15-183(I).
- *The sponsoring entity of a charter school shall have oversight and administrative responsibility for the charter schools which they sponsor. A.R.S 15-183(Q).*
- *Charter schools may pledge, assign, or encumber their assets to be used as collateral for loans or extensions of credit. A.R.S 15-183(R).*
- *Any and all property accumulated by a charter school shall remain the property of the charter school. A.R.S 15-183(S).*
- Charter schools were classified as public schools for the purposes of municipal zoning and the assessment of development fees. A.R.S 15-189.01(A).
- Public bidding requirements were defined, however the State Board for Charter Schools can authorize a charter school exempt from procurement requirements. A.R.S 15-189.02(A) and (B).
- Charter schools are now allowed to carry forward any remaining budget balance from the current year to the budget year. A.R.S 15-943.03
- Some transportation computation notes were made for the FY 1995-96 only.

Fifth Special Session of the 42nd Legislature.

HB 2004 – HB 2004 was an act relating to education state budget reconciliation.

- "Notwithstanding 15-185, 15-186, and 15-816.01, Arizona Revised Statutes, the transportation support level for the 1996-97 fiscal year for each charter school that is sponsored by the state board of education or the state board for charter schools shall by $174 multiplied by the school's student count."

The original charter school legislation did not address the issue of transportation and it was understood that charter schools would compute their transportation reimbursements in a similar manner as the districts, which was to calculate route miles and reimburse anywhere from $1.59 – 1.95 per mile. However, when the Department of Education asked for supplemental funding at the end of the fiscal year 1996, the Joint Legislative Budget Council conducted normal research to examine why the extra money was needed. It was at that time that large discrepancies were found in the area of transportation costs.

It was discovered that one charter school had collected as much as $12,000 per student for one school year. After surveying some of the rural districts, it was determined that even for rural districts which have students

geographically spread out, $174 a year per child was sufficient to cover transportation costs. Hence the genesis of HB 2004, but this bill, in essence, created a large loophole because it only incorporated the state-level board sponsored schools. Therefore, district sponsored schools were able to continue calculating transportation costs based on route mileage.

To place this situation in context, it is incumbent to remember that the State of Arizona was still trying to remedy the 1994 ruling in Roosevelt v. Bishop which found the state's plan to finance public education inequitable and unconstitutional. At this point, legislators were already embroiled in debate over the equalization of public education financing.

ATTORNEY GENERAL'S OPINIONS

(http://www.ag.state.az.us/opinions/95_opinions.html)

- Opinion I95-010. In September the attorney general ruled that charter schools are "public bodies" for purposes of the Public Records and Open Meeting Laws, and that the exception for charter schools from certain statutes does not exempt charter schools from either the Public Records or Open Meeting Laws." The attorney general's opinion was given at the request of state Senator Mary Hartley.
- Opinion I95-015. In December the attorney general responded to another request made by Sen. Hartley. The request was for an opinion regarding whether charter schools must publish a proposed school budget and follow the state's procurement laws. The attorney general concluded, "a charter school is subject to the proposed budget notice requirements of A.R.S. 15-905(C) and the procurement rules applicable to school districts, unless the charter school's sponsor determines that an exemption is necessary and includes an exemption in the school's charter."

IN THE NEWS...

- The Phoenix Union High School District was criticized for not allowing some of its students to leave the district to attend a charter school for fear that it may alter the racial composition of the district. Because the district is under a court-ordered desegregation plan, they are forced to maintain a certain racial balance. This began a public discussion over whether or not it was time to dismantle the district's desegregation plan.

- Although only half way through the first year, there was already controversy. Valley Academy in Northwest Phoenix found itself in a severe financial quandary. Discussion began over whether or not the traditional system of funding public schools is compatible with the different needs of charter schools.

- The Department of Education requested audits of three charter schools by the State Auditor General. Valley Academy and Citizen 2000 were both found to have serious problems with their accounting procedures and were given 90 days to correct the problems or risk having their charter revoked. The third school, Scottsdale Horizons, was found to have problems as well but they were not as serious. Although no fraud or misuse of public money was found, the audit results fueled the still on-going debate over how charter school accountability should be defined.

- In April 1996 the Goldwater Institute's Center for Market-Based Education released the results of a charter school parent survey. See Appendix A.

- In August 1996 the Goldwater Institute's Center for Market Based Education released the results of a survey of charter school teachers. See Appendix A.

Although only one school year has passed, there had already been controversy. New laws such as the lengthening of the charter school contract as well as the ownership of school property are still vehemently debated. HB 2384's stipulation of the Auditor General conducting a comprehensive review and revision of the USFR resulted in the formation of the Uniform System of Financial Records for Charter Schools (USFRCS), which ironically was even larger and more cumbersome than the original manual.

Originally, during this session there was proposed legislation that would have exempted charter schools from local planning and zoning regulations but it failed. The provision in HB 2384 was actually a compromise. Although charter schools still have to follow planning and zoning regulations, they are ensured expeditious processes. The provision ensures that charter schools receive a hearing for an administrative decision within 30 days and 90 days for a public hearing to allow an appeal. This, along with the conflicts that many charter schools experienced during this first year, marked the beginning of the battle over planning and zoning requirements.

HB 2417 established that the base support level of charter schools will be reduced by any amount received from state or federal agencies for Maintenance and Operations purposes. The law directly affected charter schools on the Native American reservations due to the funding that they receive from the Bureau of Indian Affairs. HB 2417 specifically says,

> *Charter schools are allowed to accept grants and gifts to supplement their state funding but it is not the intent of the charter school law to require taxpayers to pay twice to educate the same pupils. The base support level for a charter school or for a school district sponsoring a charter school shall be reduced by an amount equal to the total amount of monies received by a charter school from a federal or state agency if the federal or state monies are intended for the basic maintenance and operations of the school. The superintendent of public instruction shall estimate the amount of the reduction for the budget year and shall revise the reduction to reflect the actual amount before May 15 of the current year. A.R.S. 15-185 D.*

As a compromise, there was a two-year grandfather clause for the existing reservation charter schools, which stood to lose over $10 million dollars in state funding (Van Der Werf 1997). The center of the debate was over which federal grants in fact supplemented maintenance and operations and which were to fund separate programs. In 1997, U.S. Representative J.D. Hayworth sponsored an amendment in Congress that would not allow states to deduct money from charter schools if they were also accepting federal grant money. As a result, Governor Hull informed both state boards to not apply for or receive any federal funds although the charter schools could apply for themselves. This amendment passed.

In 1998, there were two lawsuits filed against the state. One was by the charter schools and the other was a class action lawsuit by the students and parents. A Maricopa County Judge ruled against the charter schools. He was asked to reconsider and in February 2000, he again ruled in favor of the state.

Fiscal Year 1997 (July 1, 1996 – June 30, 1997)

# of Charters Approved	110
# of Charter School Sites	121
Charter School ADM	16,073
% of Total Arizona ADM	2.13%
Charter School Revenues	$77,468,643
% of State Education Revenues	1.91%

LEGISLATION

First Regular Session of the 43rd Legislature.

HB 2162. HB 2162 was an Omnibus Education Bill and made many substantive and technical changes to the charter school law. Some of the most important changes in relation to charter schools were as follows:

- The composition of the State Board for Charter Schools changed from three general public members to six and increased the number of board members who must reside in low-income areas from one to two. A.R.S 15-182(A).
- Charter school pupils may not be included in a school district's student count for the purpose of increasing the district's capital outlay revenue limit. If the charter school was previously a school in the district, the district may include in its student count the charter school pupils from the prior year. A.R.S 15-185(A)(5).
- Charter school pupils may not be included in the student count for the purpose of computing the revenue control limit, unless the charter school is located within the school district's boundaries. A.R.S 15-185(A)(6).
- Beginning in FY 1998-99, charter schools in their second and subsequent years of operation shall receive their funding in 12 monthly payments. The current apportionment schedule, which provides for one-third of the total amount to be paid on July 1, will remain only for schools in their first year of operation. A.R.S 15-185(B).
- Auditing requirements for charter schools were implemented. Contracts for all financial and compliance audits are to comply with the rules for competitive sealed proposals as prescribed by the State Board of Education were required. A.R.S 15-914.

SB 1461. This bill made only technical changes to A.R.S 15-183.

ATTORNEY GENERAL'S OPINIONS

(http://www.ag.state.az.us/opinions/96_opinions.html)

- Opinion I96-011. In October 1996, the attorney general's office responded to two different issues posed by the Superintendent of Public Instruction, Lisa Graham Keegan. The first question was regarding the definition of "home school districts," primarily in the context of special education provision. The attorney general concluded that charter schools are home school districts for qualifying children pursuant to the mandate in A.R.S 15-183(E)(7).

  The second question was whether the state must pay for students who are enrolled in a charter school but are being instructed in the student's home by someone who is not employed by the charter school. The attorney general's office determined that the Legislature has not authorized the State to pay for students who are enrolled in, but do not attend, a charter school.

AUDITOR GENERAL MEMORANDUMS

Memo 9 – Issued 7/1/97. Charter School Audits. This memo addresses audit requirements applicable to charter schools beginning in Fiscal Year 1997-98. It also provides a Sample Contract, Request of Proposals, USFRCS Compliance Questionnaire, and Legal Compliance Questionnaire for use by charter schools for audits of fiscal year 1996-97 and thereafter.

Memo 7 – Issued 5/15/97. Charter School Accounting Records and Additional Capital Assistance Monies. This memo addresses reporting requirements as modified by Laws 1997, 1st Special Session, Chapter 4, as well as statutory restrictions on the use of additional capital assistance monies.

Memo 5 – Issued 2/11/97. Financial Provisions for Charter Schools Sponsored by School District Governing Boards. This memo addresses statutory requirements related to the financing of charter schools sponsored by school district governing boards.

IN THE NEWS...

- "Citizen 2000 Fails, Charter System Passes." This article appeared in the Arizona Republic on November 24, 1996, and accurately described what had transpired. Citizen 2000 closed its doors after the founder filed for bankruptcy and faced the revocation of her charter. It was the first charter school closing in Arizona, and the manner in which the school shut down revealed some flaws in the current law. The three issues brought to the forefront were the need to streamline the revocation process, impose real-time funding, and enable the transfer of charter school credits to traditional district schools.

- HB 2074 was passed which allows individuals to take a dollar-for-dollar tax credit of up to $500 for voluntary cash donations to a School Tuition Organization. Arizona is one of only three states to provide such a credit. Individuals may also receive up to $200 tax credit for voluntary cash donations to public schools, both traditional and charter school, for extracurricular activities that require a student paid fee. Opponents of school choice feared that this was one more step toward vouchers.

Fiscal Year 1998 (July 1, 1997 – June 30, 1998)

# of Charters Approved	153
# of Charter School Sites	179
Charter School ADM	26,196
% of Total Arizona ADM	3.37%
Charter School Revenues	$122,828,188
% of State Education Revenues	2.79%

LEGISLATION

Second Regular Session of the 43rd Legislature.

SB 1300. The overall purpose of this bill was to address the issue of pesticide buffer zones and added A.R.S 15-183(V) as follows:

Charter schools may not locate a school on property that is less than one-fourth mile from agricultural land regulated pursuant to section 3-365, except that the owner of the agricultural land may agree to comply with the buffer zone requirements of section 3-365. If the owner agrees in writing to comply with the buffer zone requirements and records the agreement in the office of the county recorder as a restrictive covenant running with the title to the land, the charter school may locate a school within the affected buffer zone. The agreement may include any stipulations regarding the charter school, including conditions for future expansion of the school and changes in the operational status of the school that will result in a breech of the agreement.

HB 2224. The general purpose of this bill was to create an alternative method for school districts to calculate average daily membership (ADM) based on a 200 day calendar, which included charter schools and amended 15-185 accordingly.

HB 2275. This bill contained some technical changes but also added A.R.S 15-185(E) as follows:
At the request of a charter school, the county school superintendent of the county where the charter school is located may provide the same educational services to the charter school as prescribed in section 15-308, subsection A. The county school superintendent may charge a fee to recover costs for providing educational services to charter schools. These services are usually administrative in nature and could include accounting, payroll, or help with special education programs.

HB 2293. This bill amended A.R.S 15-183(E)(4) to include charter schools in the participation of the Arizona Instrument to Measure Standards Test (AIMS).

SB 1103. One of the purposes of this bill was to allow charter school governing bodies to opt into the state employee insurance benefits plans. This bill added A.R.S 15-187.

Fourth Special Session of the 43rd Legislature.

HB 2005. This bill repealed section 15-186 which contained the transportation provisions for charter school students.

Fifth Special Session of the 43rd Legislature.

SB 1001 (Students FIRST) identical to HB 2001.
In July 1994, the Arizona State Supreme Court found that the state's statutory plan for financing public education violated the Arizona Constitution. Roosevelt v. Bishop scrutinized the varying degrees of difference in school facilities and equipment and required the state to remedy the situation within a "reasonable time." For the next three sessions, many bills were debated and some even passed only to be deemed insufficient by the Maricopa County Superior Court. The final legislation is known as Students FIRST and "establishes a centralized state school capital

funding system for all school districts, with limited bonding." (Extensive bill summaries are available at http://www.azleg.state.az.us/).

- There were two provisions directly affecting charter schools. First, charter schools were exempted from the Arizona constitutional requirement for a "general and uniform" public school system. This exemption, in effect, relieved charter schools from the adequacy standards and funding mechanisms established all throughout this legislation.
- The second aspect was the changes that were made to the transportation funding mechanism for charter schools. Students FIRST closed the loophole created by HB 2004 in 1996 and decreed that effective July 1, 2000 district sponsored charter schools would no longer be able to calculate their transportation funding based on route mileage. All funding categories would be collapsed, and charter schools would all receive per pupil amounts of $1,204.67 for grades 9-12 and $1,404.01 for grades K-8. One important note is that although many charter schools perceived a loss of money due to this change, the per pupil amounts that they receive is still fungible. Many district sponsored charter schools are still trying to have this reversed or changed.

Note: In an appropriations bill, the charter school stimulus fund was unfunded beginning with fiscal year 1999, although the authorizing legislation remain untouched.

AUDITOR GENERAL MEMORANDUMS

Memo 14 – Issued 6/4/98. Changes to USFRCS Charter of Accounts. This memo provides amendments to the USFRCS Charter of Accounts that are effective July 1, 1998.

Memo 11 – Issued 4/3/98. Extracurricular Activities Fees Tax Credit. This memo provides guidance on accounting for the extracurricular activities fees tax credit established by ARS 43-1089.01, added by Laws 1997, Chapter 48, section 3.

ATTORNEY GENERAL'S OPINIONS

(http://www.ag.state.az.us/opinions/97_opinions.html)

- Opinion I97-014. In October 1997, the attorney general's office confirmed at the request of Superintendent Keegan that the Legislature has not provided statutory authorization for county school superintendents to sponsor charter schools.
- Opinion I98-003. In February 1998, at the request of state Senator Ruth Solomon, the attorney general's office addressed several issues regarding the disposition of assets by charter schools that close.

  > In the abstract, A.R.S 15-183(U), which allows a charter school to retain all property it accumulates, is constitutional. Thus, a charter school that closes may keep the property it accumulates, including property purchased with State funds. The specific disposition of the proceeds from the liquidation of the assets of a charter school would be determined by the school's contractual and legal obligations to the State and others. Finally, we caution that receipt of State aid and stimulus funds by individual charter schools may violate the Arizona Constitution if the funds are not used for a public purpose or if the public value provided by the school is far less than the consideration paid by the State.

IN THE NEWS . . .

- A four part series on charter schools aired on PBS and scrutinized the Arizona charter school system as well as the Citizen 2000 closure. The producer, John Merrow, in an interview said that, "My sense is that in Arizona, many people who are saying that they want charter schools really have another goal, which is to undercut public education and bring about vouchers" (Walker 1997).

- In late November, all five sites of the Success Charter School were closed due to its inability to keep accurate attendance figures. The director countered that the school's at-risk population had problems of chronic truancy which made it very difficult to account for them using traditional methods. The board began action against the school in September by asking for attendance figures, a copy of the budget and federally required written reports about its special education students. A judge ruled that the schools could remain open until the end of the semester. This was the second charter revoked since the inception of the law in 1994. Success later surrendered its charter in August 1999.

- Phoenix Union High School District ruled that children may transfer to a charter school if they are not on track to graduate or scoring below grade level.

- In mid January ACT charter school was shut down by its governing board under allegations of fiscal mismanagement and inaccurate record keeping. Window Rock Unified later voted to revoke the charter.

- Both Ganado Unified and later Window Rock Unified School Districts told all of their charter schools to find new sponsors. The deadline was June 1999. The districts claimed that they were administratively overloaded by the schools, but some observers felt that this decision was made as a direct result of the loss of their transportation money. Some charter school skeptics have used this as an example of why districts should only sponsor schools within their own borders.

One of the original concerns of school choice programs is that they would "cream" students, which refers to the selection of the best and brightest students and further segregate schools. Two different studies examining the ethnic composition of charter schools in Arizona were released in May 1998.

- The first study, Who is Choosing Charter Schools? A Snapshot of Geography and Ethnicity of Charter School Students was released by the Goldwater Institute. The study simply examined the demographics of all the Arizona charter school students. Their findings were that as of Fall 1997, 61 percent of charter school students were White, 6 percent Black, 18 percent Hispanic, 13 percent Native American, and 2 percent Asian. Comparatively, enrollment is district schools was 56 percent White, 4 percent Black, 31 percent Hispanic, 7 percent Native American and 2 percent Asian. The Institute's report asserted that while "charter schools may be more ethnically concentrated", it is a direct result of charter school operators' efforts to open schools in predominantly minority areas and to target parents and students who were being underserved in traditional public schools.

- The second study was done by ASU professor Gene Glass and Casey Cobb, a doctoral student. They compared the percentage of white students in 62 charter schools to the percentage of white students in the closest district schools and found that charter schools were typically 20 percentage points higher in white enrollment than the other public schools. "Moreover, nearly half of the charter schools demonstrated significant ethnic separation, and the majority of ethnic minority students enrolled in them tended to be either vocational or 'last resort' schools" (Cobb and Glass 1999). Therefore, their conclusion was that, "Charter schools are instruments of creaming, dumping, and tracking. They cream the middle-class White kids, they dump the Black and Brown kids, and they track White kids into college-prep high schools and everyone else into vocational schools. . . (Parental) choice programs really stratify students" (Creno 1998)

A week later in the Arizona Republic, Clint Bolick, litigation director for the Institute for Justice, commented on Dr. Glass' findings and assertions. "Charter schools mark the first time that parents of all races and income levels can choose schools that best serve their children's needs. Schools must accept children on a first-come, first-serve basis...Glass' suggestion that the ethnic concentration violates the Civil Rights Act is laughable. The law does not and cannot mandate racial balance. It does, however, guarantee equal educational opportunities – and charter schools are a giant step in that direction"(Bolick 1998).

Overall, the debate over planning and zoning requirements for charter schools heated up during 1998 and in many ways came to a head throughout the state. The City of Tucson developed regulations limiting charter schools in residential zoning to five-acre parcels plus additional square footage requirements, and Pima County developed regulations to limit charter schools in residential zones to 10 acre parcels. Meanwhile, in Maricopa County charter schools were not faring much better. The City of Mesa criminally prosecuted a charter school operator for non-compliance with planning and zoning regulations after two years of operating in the same site, and another Mesa charter school was forced to close their site after three years of operation due to retroactive planning and zoning regulations.

Fiscal Year 1999 (July 1, 1998 – June 30, 1999)

# of Charters Approved	198
# of Charter School Sites	271
Charter School ADM	34,195
% of Total Arizona ADM	4.26%
Charter School Revenues	$165,005,594
% of State Education Revenues	3.2%

LEGISLATION

First Regular Session of the 44th Legislature.

HB 2080. This bill added A.R.S 15-189.03 as follows:

If a pupil who was previously enrolled in a charter school enrolls in a public school in this state, the public school shall accept credits earned by the pupil in courses or instructional programs at the charter school in a uniform and consistent manner and according to the same criteria that are used to accept academic credits from other public schools.

SB 1030. This bill amended A.R.S 15-185 to eliminate the county treasurers' role from the process through which charter schools receive state aid and require the Superintendent of Public Instruction to provide an abstract of charter school apportionments to the State Treasurer. Finally, the Arizona Department of Administration will disburse charter school funds directly to charter schools.

HB 2286. The purpose of this bill was to make technical changes to Students FIRST.

HB 2293. This bill added A.R.S 15-184(E) as follows:

A charter school may refuse to admit any pupil who has been expelled from another educational institution or who is in the process of being expelled from another educational institution.

HB 2103. This bill altered the requirements that must be met by an educational institution in order for it to qualify for financing through industrial development authority (IDA) bonds. Specifically, the bill eliminated the requirement that an educational institution, operated by a non profit organization, be accredited by a nationally recognized educational accrediting association. Non-profit charter schools are now free to compete for IDA resources.

First Special Session of the 44th Legislature.

SB 1006. SB 1006 was an Omnibus Budget Reconciliation bill that encompassed many different areas of education. Some of the changes made to the charter school law are as follows:

- A school district that sponsors a charter school may compute separate weighted student counts for its non-charter school versus charter school pupils in order to maintain eligibility for small school district support level weights for its non-charter school pupils only. A.R.S 15-185(A)(3).
- If a district converts a district school to a charter school and back again, all additional assistance received for a charter school is reverted back to the state. A.R.S 15-185(A)(7).
- Clarified the funding allowable to charter schools "operated for or by the same school district." A.R.S 15-185(H).
- Per pupil expenditure and administrative expenditure data shall be included in a school's annual report card. A.R.S 15-255(C).

- The State Board of Education and the State Board for Charter Schools rather than the auditor general are responsible for assessing audits and reporting noncompliance with the uniform system of financial records for the charter schools they sponsor.

AUDITOR GENERAL MEMORANDUMS

Memo 26 – Technology-Assisted Project-Based Instruction Program (Distance Learning). This memo provides the requirements and examples for calculating the Average Daily membership for technology-assisted project-based instruction program attendance.

Memo 24 – Issued 6/8/99. Transfer of Responsibilities Affecting State Board-Sponsored Charter Schools. This memo provides information regarding the shift of certain responsibilities from the Office of the Auditor General to the Arizona State Board of Education and the Arizona State Board for Charter Schools for state board-sponsored charter schools.

IN THE NEWS . . .

- In the fall of 1998 the Center for Market-Based Education released the findings from their Charter School Wage and Incentive Survey. Their researchers found no difference between charter schoolteacher salaries in small and large schools, but found a significant difference between rural and urban charter school teacher salaries. See Appendix A.

- In December 1998, the Center for Market-Based Education released, Focus On The Parents: Parents Talk About Charter Schools, which was the result of twenty-two focus groups including 345 charter school parents. See Appendix A.

- In early March a three-day series entitled, The Charter School Revolution ran in the Arizona Republic. The series presented a general overview of the charter school law in Arizona, while comparing it with Colorado's law, and highlighted some local schools such the Arizona Career Academy, Life School, and the Noah Webster Basic School.

- The Morrison Institute released the Arizona Charter School Progress Evaluation in mid-March, a study that was funded by the Arizona Department of Education. They found that the academic performance of charter school students is similar to those in traditional public schools. Parents and students of charter schools are also more satisfied with their schools and consider their teachers to be the best feature. See Appendix A.

- There were many bills relating to charter schools that had failed during the last five legislative sessions, but there was one bill whose failure had political significance. The omnibus charter school reform bill in 1999 was the epitome of the politics and debate surrounding charter schools in Arizona. Even with a Republican dominated legislature and the support of Governor Hull, Superintendent Keegan, and both state boards, the bill still died. Some of the provisions were as follows:
  - School districts would be liable for the charters that they sponsor.
  - The state would be able to withhold up to 10 percent of funding if a charter school was violating its contract or state and federal laws.
  - Sponsors would have been able to authorize the withholding of money from charters that were out of compliance or violating its contract.
  - School districts with financial troubles would be prevented from sponsoring charter schools.
  - Applicants would be required to submit a business plan.
  - Charter schools would no longer be able to receive state money up front.

Early in the session, Senator Mary Hartley attached amendments to the bill that would have drastically changed charter school autonomy in Arizona. Her amendments included provisions that would have forbid for-profit companies from operating charter schools as well as designate all purchases as public property. An editorial board for the Arizona Republic described what happened next. "Angry at seeing her oppressive restrictions swept from an

umbrella bill for reforming charter schools, Sen. Mary Hartley, D-Phoenix, cobbled together a petty-minded coalition that killed charter school reforms entirely... As a result, important changes in charter law were left in heaps on the floor of the Legislature" (Arizona Republic 1999).

In a newspaper article Senators Hartley and Petersen defended their actions by saying,

> "What was left in the bill were mostly feel-good provisions that would not result in any real reform of the current system. We are not the charter school opponents we are described to be. We support the charter school movement and applaud educational innovations whenever they occur, and several charter schools lead the way in this area. However, as legislators, we have a responsibility to correct accountability and oversight problems that may exist in our public education system, be it charter or traditional public schools. It is the future of our children which spurs us to continue the fight for meaningful reform." (Peterson and Hartley 1999)

- In May 1999, the Goldwater Institute's Center for Market Based Education released a Survey of Arizona Charter School Administrators. They found that the most significant differences in administrator salaries was between small and large schools (31 percent), and between high school and elementary schools (23 percent). The lowest salary group is in the schools that converted from private to charter schools. See Appendix A.

Fiscal Year 2000 (July 1, 1999 – June 30, 2000)

# of Charters Approved	249
# of Charter School Sites	360

Many of the bills in the first six years were written to address single issues such as the role of the county superintendent or how to handle the transfer of academic credits, while some were merely technical changes. Other bills were a result of major events such as the first charter revocation. Overall, most of the bills have represented attempts at re-defining the proper place of charter schools within the overall public school system. The Charter School Omnibus Bill 2000 fits all of these descriptions.

The debate in the legislature over HB 1302 was reminiscent to the arguments over the 1999 Omnibus bill. Many charter school advocates consider the events of the last legislative session in Arizona to represent a setback, yet some charter school opponents in Arizona were still not satisfied. Senator Mary Hartley voted against the bill feeling that it still wasn't strong enough. On the other hand, some charter school proponents and operators felt that the bill went too far. The Higley District Superintendent showed his frustration in an article in the Arizona Republic. "This Legislature created the charter school movement and now they're doing everything they can to rein it in" (Pearce 2000).

LEGISLATION

Second Regular Session of the 44th Legislature.

HB 1302. Although six legislative sessions have passed in Arizona and numerous bills have been passed, the omnibus bill that was passed in 2000 has definitely been the most significant. (Bill summary found at http://www.azleg.state.az.us.) Some of the major changes that Senate Bill 1302 made are as follows:

- Prevents school districts from sponsoring schools outside its geographic boundaries. Schools sponsored prior to July 2000 are grandfathered if the district is in compliance with the Uniform System of Financial Records (USFR).
- School districts are prevented from sponsoring new or approving the transfer of a charter if the district has been found to be out of compliance during either of the two previous fiscal years.
- The two state boards are required to accept any sponsorship transfers for charters sponsored by a school district determined to be out of compliance but the boards may require the applicant to sign a new charter.
- The two state boards are able to accept any other charter transfers, and the charter limits placed on both boards were removed.
- The bill also provided more recourse for schools and districts found to be out of compliance.
- Requires an applicant seeking to establish a charter school and an application for renewal of a charter to submit a detailed business plan.
- Removes the current statute that exempts a governing board, its agents and employees from liability for acts or omissions of a charter school sponsored by the school district.
- Replaced the current apportionment schedule and required that all money will now be allocated in twelve equal monthly installments during the first year. Previously, a school in its first year received a large up-front payment to help with start-up costs.

ATTORNEY GENERAL'S OPINIONS

(http://www.ag.state.az.us/opinions/2000.html)

- Opinion I00-005. In April 2000, the Dysart Unified School District requested clarification on the proper relationship between homebuilders and school districts. Below is the summary answer:

1. *A school district governing board cannot make contractual promises to a private party in exchange for a donation of money or land that are contrary to statutory or constitutional requirements or are inconsistent with the district's public trust obligations.*
2. *A charter school governing board cannot make contractual promises to a private party in exchange for a donation of money or land that are contrary to statutory or constitutional requirements or are inconsistent with the charter school's public trust obligations.*
3. *Because the charter school governing board is responsible for policy and operational decisions, it must authorize agreements concerning the operations of the charter school. Before a charter school is established, a charter school applicant may make agreements concerning a proposed charter school, but, those agreements must be consistent with the laws governing charter schools and with the charter school's public trust obligations.*

- Opinion 100-009. The applicability of Open Meeting Law to a Corporate Board of Directors of a Charter School Operator was requested. Below is the summary answer:

Because Arizona's Open Meeting Law applies to a charter school governing board, the Open Meeting Law applies to a meeting of a charter school operator's corporate board of directors if (1) a quorum of the charter school governing board is present, and (2) there is discussion about matters that could foreseeably come to a vote before the charter school governing board.

AUDITOR GENERAL MEMORANDUMS

Memo 32 – Issued 9/15/00. Annual Financial Report and Extracurricular Activities Fees Tax Credit for Fiscal Year 1999-2000. This memo provides instructions for completing the AFR and Extracurricular Activities Tax Credit form.

Memo 31 – Issued 8/12/00. Uniform System of Financial Records for Arizona Charter Schools (USFRCS) Compliance Questionnaire and Arizona Charter Schools Legal Compliance Questionnaire. This memo amends USFRCS Memorandum No. 9. The new questionnaire must be used for audits of charter schools for fiscal years ending after July 1, 1999.

Memo 30 – Issued 6/16/00. Travel Reimbursement Rates. This memo provides new meal allowance and lodging/mileage reimbursement rates that became effective May 1, 2000.

Memo 29 – Issued 6/16/00. Charter School Procurement Revisions. This memo provides the dollar thresholds by which charter schools determine whether sealed bidding, written quotes, or oral quotes are required for purchases of goods and services.

Memo 28 – Issued 6/2/00. Charter School Annual Budget Forms and Budget Work Sheets for Fiscal Year 2000-01. This memo provides instructions for completing the annual budget.

Memo 27 – Issued 4/17/00. Charter School Annual Budget Revisions for Fiscal Year 1999-2000. This memo provides instructions for charter schools that revise their Adopted Budget.

IN THE NEWS. . .

- In July 1999, the Center for Market Based Education released A Market-Based Education System in the Making: Charter Schools. The authors examined the incentives currently available for charter school entry and competition in Arizona. See Appendix A.

- In July, Governor Hull signed Bethany's law which ensured that students in home, charter and private schools get a fair opportunity when competing for college scholarships offered by Arizona's universities by encompassing different criteria for qualification other than class rank.

- On July 10th, the AEA announced that its first charter school, Arizona Education Academy, would not open due to insufficient enrollment. This school was collaboration a with Arizona State University's College of Education. The associate dean for teacher education programs noted that, "For ASU and the AEA to venture into those waters and for us not to be able to pull it off the first time is a bit ironic. Frankly, it turned out to be harder to get established than we thought"(Jones 1999).

- Also in July, AFT President Sandra Feldman announced a major concession in the way that the union negotiated contracts. She stated that, "individual schools should have far more power to make educational decisions in consultation with their teachers" (Greenhouse 1999). The New York Times reported that this proposal is at least partially due to the growth and success of charter schools, which are not restricted by union contracts.

- The Arizona Department of Education released the Stanford 9 test scores in late July. Of the grade levels for the traditional district and charter schools that took the test in 1998 and 1999: (Hughes 1999).
  - 50.2 percent improved their reading scores
  - 57.6 percent improved their math scores
  - 56.7 percent improved their language arts scores
  - Schools of choice were the top scorers. The top ten schools were composed of charter, traditional, magnet and Montessori schools. Only one public school made it into the top ten. However, some of the state's worst scores were recorded by charter schools. This isn't seen as a cause for much alarm because many charter schools are designed to attract an at-risk population.

- In late July, a Maricopa County Superior Court judge issued a preliminary injunction against the East Valley Academy charter school, temporarily prohibiting its opening. This was due to the vociferous outcry of neighborhood residents in White Fence Farms. Neighborhood opposition is not new to Arizona charter schools, although this incident received tremendous media coverage. Intelli-School and the Omega Academy are two more examples of charter schools that have had to tangle with unhappy neighbors.

- In October the Maricopa County Board of Supervisors established a list of standards that charter and private schools must meet if they locate inside county islands or county rural areas. This is the first time that the county board has involved itself in charter school regulations. It is also important to note that proposed legislation to treat charter schools like district schools in terms of planning and zoning requirements failed again this year. The requirements include:
  - The school must be on a minimum of five acres.
  - There must be a fence separating the school from surrounding homes.
  - School buildings must be set back 100 feet from adjacent property.
  - If these requirements cannot be met, the school can still request a special-use permit, which allows neighbors to express their views.

- Sterling Academy opened its doors without the proper city and state permits, including fire-safety paperwork, which prompted Superintendent Keegan to ask for the immediate closing of the school. Sterling Academy is sponsored by Peach Springs Unified School District, which lost its state funding in May for non-compliance in record keeping. The sponsor is the only entity with the authority to revoke a charter, but other there are other state and local authorities that can close a school for health and safety reasons.

- An audit revealed that half of Arizona's charter schools lacked the appropriate fire inspection reports. As a result the Fire Marshal's Office was commissioned to inspect more than 100 charter schools. The inspection turned up only two schools with problems serious enough to fix.

- Life School College Preparatory was given a 90-day "Notice of Intent to Revoke" in October by the State Board of Education. In November, the state board agreed to let the charter be transferred to the Higley Unified School District.

- The results of a parent survey commissioned by the State Board for Charter Schools were released in October. The survey found that 66% of charter school parents rated their child's school with an "A+" or "A". This is compared to the statewide public school survey conducted in March 1999 that found only 37 percent of parents gave their child's school an "A+" or "A".

- The State Board for Charter Schools contracted with Miller Wagner & Co. to review the external financial audits that charter schools must complete each year. Previously, all audits were reviewed by the Arizona Auditor General's office, but SB 1006 in last year's special session gave the State Board for Charter Schools and the State Board of Education the responsibility for assessing audits and reporting noncompliance with the uniform system of financial records for the charter schools they sponsor.

- For a little over a year, the State Board for Charter Schools wrestled with the issue of noncompliance at ATOP Academy. The process began in December 1998 when the board sent ATOP a "Notice of Intent to Revoke" on the grounds of overall financial and record keeping problems as well as noncompliance with Open Meeting Laws and special education. In September 1999, the State Board for Charter Schools held its first revocation hearing and the board voted to allow the school to remain open and let parents decide whether to keep their children enrolled. Ultimately, in February 2000 the board allowed the charter to be transferred to Right Step Academy.

- Star Academy in Tucson was issued a 90-day "Notice of Intent to Revoke" in January 2000 for failing to hold regular public governing board meetings, inaccurate enrollment claims, and other bookkeeping problems. In May 2000, Katrena White, the school's Executive Director and principal, admitted to inflating enrollment figures and using the extra state money for personal use. She also pleaded guilty to making up the July 1999 school board meeting minutes, when the budget was supposed to have been approved.

- The nation's eyes were watching closely as The Tesseract Group struggled to recoup financially. Tesseract is an Arizona based private and charter school operator and was seen as one of the companies leading the way for for-profit charter schools. The company reported a loss of over $14 million, and in February 2000 their stock was removed from the Nasdaq.

  Originally, Tesseract was given a charter by the State Board for Charter Schools. However, in 1998 Tesseract purchased Sunray charter schools, whose charter was held by Snowflake Unified School District. (Sunray had previously applied for a charter with the State Board for Charter Schools and was rejected.) Eventually, Tesseract transferred all of its schools to Snowflake Unified

- The State Board of Education granted a conditional two-year approval to the Sequoia Teacher Preparation Program. The program will offer people with bachelor's degrees to complete work for teacher certification in only one year. Sequoia has ten charter schools located throughout Arizona.

- President Clinton declared the first week in May as National Charter Schools Week, and Governor Hull also recognized the week as Arizona Charter Schools Week.

Arizona Related Charter School Research

Goldwater Institute – Center for Market Based Education

- February 2000 School Finance Primer.
- August 1999 Debunking the Manufactured Crisis: Dispelling Myths about Public Education .
- August 1999 A Market-Based Education System in the Making: Charter Schools.
- May 1999 Survey of Arizona Charter School Administrators.
- Fall 1998 Charter School Wage and Incentive Survey.
- Dec 1998 Focus On The Parents: Parents Talk About Charter Schools .
- May 1998 Who is Choosing Charter Schools? A Snapshot of Geography and Ethnicity of Charter School Students.
- Jan 1998 Child-Centered School Funding.
- August 1996 Arizona's Charter Schools: A Survey of Teachers.
- April 1996 Arizona's Charter Schools: A Survey of Parents.

Morrison Institute for Public Policy at Arizona State University

- 1999 Arizona Charter School Progress Evaluation
- 1995 Charter Schools: The Reform and the Research (policy brief)
- 1995 Charter School Update: Observations and Trends (policy brief)
- 1995 Understanding Charter Schools
- 1994 Comparing Charter School Laws: The Issue of Autonomy (policy brief)
- 1994 Charter School Update: Expansion of a Viable Reform Initiative*
- 1994 Charter Schools: A Glance at the Issues (policy brief)
- 1993 A National Review of Open Enrollment and Choice Programs
- 1993 School Restructuring: Views from Within and Policy Implications
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Appendix I - State Board of Education Rules

ARTICLE 14. CHARTER SCHOOLS

R7-2-1401. Definitions

For the purpose of this Article the following definitions shall apply:

1. "Applicant" means a person, public body, or private organization that has applied to the State Board of Education to establish a charter school under the provisions of A.R.S. § 15-181 et seq.
2. "Background check" means a report received related to an applicant and the identified governing board members regarding the status of each person's credit and credit history, and any criminal activity identified by the law enforcement agency processing the applicant and governing board member's fingerprints.
3. "Committee" means the Charter School Committee established pursuant to this Article.
4. "Charter School" means a school chartered pursuant to A.R.S. § 15-181 et seq. and sponsored by the Board of Education.
5. "Contract" means a document outlining the terms and conditions of an agreement between the parties.
6. "Governing board" means the governing body responsible for the policy and operational decisions of the charter school formed pursuant to A.R.S. § 15-183 et seq.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).

R7-2-1402. Charter School Committee

A. The Board of Education shall establish a Charter School Committee that shall have the responsibility of reviewing applications and preparing a recommendation for the Board of Education's consideration.

B. The Board of Education shall appoint the members of the committee. The committee shall consist of 7 members as follows:

1. An individual knowledgeable in building construction or renovation;
2. An individual knowledgeable in finance and accounting and in generally accepted accounting practices;
3. An individual representing a city in this state who is knowledgeable about zoning and operating permit requirements;
4. An individual knowledgeable about elementary and high school curricula and the development and evaluation of curricula;
5. An individual knowledgeable about assessments and the administration of assessments;
6. An individual representing the Board of Education;
7. A current operator of a charter school sponsored by the Board of Education.

C. Terms of each member of the committee shall be for 3 years. Members may be appointed for subsequent terms upon approval by the Board of Education.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).

R7-2-1403. Application

A. Interested parties or individuals may submit an application for approval by the Board of Education pursuant to A.R.S. § 15-181 et seq. Applications shall be on forms approved by the Board of Education.

B. Applications shall be evaluated by the committee. The committee shall prepare a recommendation for the Board of Education's consideration. The recommendation shall be based upon a review of all aspects of the application, including, for example, completeness of the application, the viability of the school including the financial viability, the projected funding sources, the number and population to be served, including school-aged students who are deemed to be unserved or underserved.

1. The committee may request additional information as needed to assist in evaluating the application and preparing a recommendation for the Board of Education's consideration.
2. Recommendations of the committee to the Board of Education may include approval of the application, denial of the application, or deferral of the application pending further information or clarification.
3. Applicants shall be notified in writing at least 10 days prior to the Board of Education meeting of the date, time, and place of the meeting at which the Board of Education shall consider the charter school committee's recommendation related to the application.
4. Action by the Board of Education may include approval of the application, denial of the application, or deferral of the application pending further information or clarification. The Board of Education shall state the reasons for denial or deferral of the application.

5. Applicants shall be notified in writing of the decision of the Board of Education. Written notification that the Board of Education has denied an application shall include reasons for denial. Written notification shall be provided to applicants within 15 days following a decision of the Board of Education.
C. An approved application does not constitute an approved contract, and approval of an application shall not be construed to imply that a contract will be issued.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).
R7-2-1404. Contract
A. A contract shall be on forms approved by the Board of Education.
B. At least once per year, the Board of Education shall consider issuance of a contract to approved applicants.
C. Upon review and recommendation from the committee, the Board of Education may approve the issuance of a contract, approve the issuance of a contract pending receipt of specific information or completion of requirements, defer the issuance of a contract, or deny the issuance of a contract. The Board of Education shall state the reasons for denial or deferral of issuance of a contract.
D. Applicants shall be notified in writing at least 10 days prior to the Board of Education meeting of the date, time, and place of the meeting at which the Board of Education shall consider the charter school committee's recommendation related to issuance of a charter.
E. Applicants shall be notified in writing of the decision of the Board of Education. Written notification that the Board of Education has denied issuance of a contract shall include reasons for denial. Written notification shall be provided to applicants within 15 days following a decision of the Board of Education.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).
R7-2-1405. Execution of a Contract
A. Contracts shall be signed by the applicant, or a person with signatory authority for the applicant, within 6 months from the date of approval of issuance of the contract by the Board of Education, unless an extension of time is granted by the Board of Education. If issuance of a contract was approved by the Board of Education pending receipt of additional information, the contract shall be signed by the applicant or a person with signatory authority for the applicant within 6 months of receipt of the additional information by the Board of Education.
B. Contracts which have not been signed pursuant to this rule shall require reapplication and approval during a subsequent application cycle.
C. The following items shall be submitted to the Board of Education prior to signing of a contract:
1. Background check, including fingerprint clearance for all authorized signatories and all governing board members approved;
2. Certificate of Occupancy or a written exemption from the local municipality or county that the certificate is not required for operation of a public school. A set of architectural plans approved by the local planning and zoning office may be submitted in lieu of a certificate of occupancy for the purposes of this subsection for construction of new buildings or renovation of existing buildings. A certificate of occupancy will be required to be submitted prior to opening of the school.
3. A lease agreement or proof of building availability;
4. Executed statement of assurances;
5. Written verification that the facility meets the requirements established by the state and local fire marshal;
6. Written verification from an insurance company authorized to do business in the state of Arizona that arrangements have been finalized to provide the required amount of insurance;
7. Proof of local County Health Department approval.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).
R7-2-1406. Amendments to a Contract
A. Any changes to the contract shall be submitted on forms approved the Board of Education.
B. All amendments to the contract shall be accompanied by a signed governing board resolution or an official copy of the minutes of a governing board meeting that the amendment was approved by the governing board.
C. No amendment shall be effective or implemented prior to being approved by the governing board, submitted to and approved by the Board of Education.

D. Amendments requesting a change in the membership of the governing board shall, in addition to the requirements specified in subsection (B), include a completed fingerprint application and a signed affidavit authorizing a background check.
E. If an extension of time was granted pursuant to R7-2-1405(A), amendments to update the application shall be submitted at the time the contract is executed.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).

R7-2-1407. Revocation of a Contract
A. The Board of Education may issue a Notice of Intent to Revoke a Contract and Notice of Hearing to any contract holder who is alleged to be in violation of the contract and the governing board.
B. Within 10 days of receipt of a Notice of Intent to Revoke a Contract and Notice of Hearing, the governing board shall:
1. Notify the parents or guardians of the students enrolled in the charter school that a Notice of Intent to Revoke a Contract and Notice of Hearing has been received;
2. Hold a public meeting to inform the public and discuss the specific charges outlined in the Notice of Intent to Revoke a Contract;
3. Provide the Board of Education with copies of all correspondence and communications used to comply with subsection (1) above and minutes of the meeting as evidence of compliance with subsection (2) above;
4. Provide the Board of Education with the names and mailing addresses of parents or guardians of all students enrolled in the charter school at the time the Notice of Intent to Revoke a Contract and Notice of Hearing was received.
C. Hearings held pursuant to a Notice of Intent to Revoke a Contract and Notice of Hearing shall be held in accordance with Sections R7-2-701 through R7-2-709.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).

R7-2-1408. Renewal of Contract
When considering renewal of a contract, the following, as a minimum, shall be provided to the Board of Education:
1. Assessment results, including scores of the norm-referenced achievement test, the scores of the Arizona's Instrument to Measure Standards (AIMS), and scores of any school assessment programs;
2. Results of any audits conducted, including independent audits, Uniform System of Financial Records or Uniform System of Financial Records for Charter Schools compliance audits, or any audits conducted by the Auditor General's Office;
3. Enrollment reports that include enrollment figures, funding sources, budget updates, and financial reporting of expenditures;
4. All complaints received;
5. Copies of Board of Education minutes where consideration and action was taken on all issues related to the charter school;
6. Any other reports, information, or materials pertinent to the charter school.

Historical Note

New Section adopted by final rulemaking at 5 A.A.R. 3211, effective August 24, 1999 (Supp. 99-4).

Appendix J – State Board for Charter Schools Rules - DRAFT

ARTICLE 1. CHARTER SCHOOLS

R7-5-101. Definitions

For the purpose of this Article, the following definitions apply:

1. "Administrative completeness review time-frame" means the number of days from the Board's receipt of an application to establish a charter school or transfer a charter until the Board determines that the application contains all components required by statute or rule. The administrative completeness review time-frame does not include the period of time during which the Board performs a substantive review of the application.
2. "Applicant" means a person who applies to the Arizona State Board for Charter Schools for a charter to operate a charter school or to transfer a charter under A.R.S. § 15-181 et seq.
3. "Person" means an individual, partnership, corporation, association, a public or private organization of any kind or another agency.
4. "Board" means the Arizona State Board for Charter Schools.
5. "Charter" means the contract entered into between the applicant and the Arizona State Board for Charter Schools to operate a charter school under A.R.S. § 15-181 et seq.
6. "Charter school" means a school operated under a charter granted under A.R.S. § 15-181 et seq.
7. "Day" means a calendar day.
8. "Department" means the Arizona Department of Education.
9. "Elective transfer" means the transfer of a charter from a state school district or the State Board of Education to the Arizona State Board for Charter Schools under A.R.S. § 15-183(C)(2).
10. "Fiscal year" means the 12 month period beginning July 1 and ending June 30.
11. "Non-elective transfer" means the transfer of a charter from a state school district that is determined to be out of compliance with the system of financial records under A.R.S. § 15-183(C)(2) to the Arizona State Board for Charter Schools.
12. "Overall time-frame" means the number of days after receipt of an application for a charter or charter transfer during which the Board determines whether to grant or deny a charter or charter transfer. The overall time-frame consists of both the administrative completeness review time-frame and the substantive review time-frame.
13. "Substantive review time-frame" means the number of days after completion of the administrative completeness review time-frame during which the Board determines whether an application or applicant for a charter or charter transfer meets all substantive criteria required by statute or rule.

R7-5-102. Application for a Charter

A. A person desiring to establish a charter school shall make written application for approval of the issuance of a charter by the Board under A.R.S. § 15-183 in a manner prescribed by R7-5-103.02(A).

B. The charter applicant shall undergo fingerprint and credit checks as prescribed by the Board.

R7-5-103. Approving a Charter

A. The Board may approve the issuance of a charter if it determines, within its sole discretion, that the applicant is sufficiently qualified to operate a charter school.

B. Except as provided in R7-5-108, a charter is effective for 15 years from the first day of operation.

R7-5-103.01. Time-Frame for Approving or Rejecting an Application and a Charter

A. For the purpose of A.R.S. § 41-1073, the Board establishes the following charter time-frames:
   1. Administrative completeness review time-frame: 15 days.
   2. Substantive review time-frame: 90 days.
   3. Overall time-frame: 105 days.

R7-5-103.02. Contents of a Complete Application Package

A. A charter application package is complete when the Board has all of the following information:
   1. From a charter applicant, a completed application form which contains the following information:

a. Personally identifying information of the principal or the individual serving as the authorized agent on behalf of the person seeking to operate a charter school, as follows:
   i. Name,
   ii. Mailing and Email address, and
   iii. Phone and fax number.

b. Information about the charter school, including:
   i. School mission,
   ii. Facilities (proposed or established),
   iii. School calendar, and
   iv. Organizational governance and structure.

c. Information about the charter school's comprehensive program of instruction, including:
   i. A narrative describing the school's curriculum (philosophy, methodology, special emphasis and mastery), and
   ii. Information on the school's curricular goals, objectives and outcomes, and measurement criteria. The applicant shall submit a representative curriculum sample that aligns with the Arizona State Standards for every grade level served.

d. Information about the charter school's special education and exceptional students' services, including:
   i. A narrative describing policies and procedures for special education, including a description of available and appropriately certified/licensed personnel who will implement special education programs, and
   ii. A description of child identification, evaluation, individual education plans, procedural safeguards, due process, least restrictive environment, certified special education teacher, related services personnel, screening forms, treatment of student records, referral processes, and parental consent.

e. Completed information form and resume on each applicant or authorized agent of the applicant.

f. A three-year business plan, which shall include a title page, table of contents, business concept or executive summary, management plan, and strategic plan, a three-year budget projection, and a completed financial information form on starting and operating a charter school.

g. A maximum of five letters of support.

h. If the applicant seeks to be excepted from the requirements of the Uniform System of Financial Records for Charter Schools (USFRCS) and Procurement Rules, a narrative on the generally accepted accounting principles that will be used and the procedures to be used for procuring products and services for the school.

i. A fingerprint card and affidavit for conducting background and credit check.

j. A narrative providing the description of the duties of the school governing authority and a flow chart of the school's organizational structure.

k. A technology plan that will ensure that the school will be able to report electronically to the Arizona Department of Education.

l. A narrative adding any additional information about the charter school that was not asked for in other sections of the application.

m. Any other items the Board determines relevant to the application.

R7-5-103.03. Administrative Completeness Review Process

A. If the application package is incomplete, the Board shall provide a written notice of deficiencies to the applicant within the administrative completeness review time-frame, specifying the missing document or incomplete information and requesting the charter applicant to supply the missing information within 10 days from the date of notice. If the charter applicant fails to do so, the Board shall close the file. The Board may issue one written extension of time of not more than an additional 20 days for the applicant to supply the missing information upon a showing by the applicant that the applicant is exercising reasonable and due diligence in providing the missing information.

B. A charter applicant whose file has been closed and who later seeks to establish a charter school sponsored by the Board under A.R.S. § 15-181 et seq. shall submit a new application to the Board. The administrative completeness review time-frame starts over when the Board receives the new application.

C. If the Board provides a written notice of deficiencies to the applicant, the administrative completeness review time-frame and the overall time-frame are suspended from the date the notice is issued until the date that the Board timely receives the missing information from the applicant. If the Board issues a written extension of time to an applicant, the administrative completeness time-frame and the overall time frame are suspended from the date the extension is issued until the date that the Board timely receives the missing information from the applicant.

D. If the Board does not provide a written notice of deficiencies within the administrative completeness review time-frame, the application package is deemed administratively complete. If the Board provides a timely written notice of deficiencies, the application is not complete until all requested information is timely received by the Board.

E. An applicant shall submit the unbound original charter application package and twelve bound copies to the Arizona State Board for Charter Schools, 4105 North 20th Street, Suite 280, Phoenix, Arizona 85016.

R7-5-103.04. Substantive Review Process

A. When the application package is complete, the Board shall complete a substantive review of the application and shall approve or reject the application and the issuance of a charter.

B. In determining whether to approve or reject an application, the Board shall:
   1. Review the application form and all required documents to ensure compliance with the requirements of A.R.S. § 15-181 to 189.03 and this Article,
   2. Consider referral of the applicant to a subcommittee for additional analysis, and
   3. Consider any other information the Board determines relevant to the approval of the application.

C. If an application is approved, the Board shall approve the issuance of a charter upon a determination that the applicant is sufficiently qualified to operate a charter school. An approved application does not constitute an approved charter, and approval of an application shall not be construed to imply that a charter will be issued. In determining whether to approve the issuance of a charter, the Board shall consider:
   1. The experience and qualifications of the school's owners/operators, and
   2. Any other information the Board determines relevant to the issuance of a charter, which may include a presentation by the applicant.

D. If an application is rejected, the Board shall provide a written notice to the charter applicant within 15 days following the decision of the Board including a basis for the rejection, suggestions for improving the application under A.R.S. § 15-183(C)(2), and an explanation of the applicant's right to appeal as prescribed in title 41, chapter 6, article 10. The applicant may submit a revised application for reconsideration by the Board within 30 days from the date of notice. If the charter applicant fails to do so, the Board shall close the file. The applicant may request, and the Board may provide, technical assistance to improve the application.

E. If an application is rejected, the substantive review time-frame and the over-all time frame are suspended from the date that the application is rejected by the Board until the date the Board receives the revised application from the applicant.

F. If the issuance of a charter is approved, the Board shall provide written notice to the charter applicant within 15 days following the decision of the Board.

G. If the issuance of a charter is rejected, the Board shall provide a written notice to the charter applicant within 15 days following the decision of the Board, including an explanation of the applicant's right to appeal as prescribed in title 41, chapter 6, article 10. The applicant may submit a new application for consideration by the Board as provided in R7-5-102.

H. During the substantive review time-frame, the Board may make one comprehensive written request for additional information. The Board and the applicant may mutually agree in writing to allow the Board to submit supplemental requests for additional information. If the Board issues a comprehensive written request or a supplemental request by mutual written agreement for additional information, the substantive review time-frame and the overall time-frame are suspended from the date that the request is issued until the date the Board receives the additional information from the applicant.

I. By mutual written agreement, the Board and the applicant may extend the substantive review time-frame and the overall time-frame. An extension of the substantive review time-frame and the overall time-frame may not exceed twenty-five percent of the overall time-frame.

J. Applicants shall be notified in writing at least 7 days prior to the Board meeting of the date, time, and place of the meeting at which the Board shall consider the application and the issuance of the charter.

R7-5-103.05. Execution of a Charter

A. The charter shall be signed by the President of the Board and by the applicant, or a person with signatory authority for the applicant, within 12 months from the date of approval of the issuance of the charter by the Board.

B. The applicant shall begin providing educational instruction within 6 months of the signing of the charter or within 18 months of the date on which the Board approved the issuance of a charter, whichever date occurs later.

C. Charters which have not been signed pursuant to this rule shall require re-application and approval.

D. The following items shall be submitted to the Board prior to signing a charter:
   1. Copy of the signed and conformed Articles of Incorporation or other documents verifying the business entity,
   2. Completed W-9 and Vendor Set Up/Change Forms and General Statement of Assurances,
   3. Copy of the documentation sent to the Secretary of State's office notifying them where the school's open meeting notices will be posted,
   4. New School/Sites Information Form, and
   5. Any other items that Board determines relevant to the signing of a charter.

E. The following items shall be submitted to the Board at least 10 days prior to the first day of operation of the charter school:
   1. Copy of the documentation of approved Use Permits by the building inspector in the municipality in which the charter school is located (Certificate of Occupancy),
   2. Written verification that the facility meets the requirements established by the State and local fire marshal,
   3. Proof of local County Health Department approval, and
   4. Written verification from an insurance company authorized to do business in the State of Arizona that arrangements have been finalized to provide the required amount of insurance.

R7-5-104. Amendments to a Charter

A. The charter of a charter school sponsored by the Board may be amended at the request of the governing body of the charter school and on the approval of the Board upon written application to the Board on the prescribed forms.

B. No amendment shall be effective or implemented prior to being approved by the governing body of the charter school, submitted to and approved by the Board.

R7-5-105. Approving a Transfer of a Charter

A. The Board may approve any charter schools transferring charters from a state school district or the State Board of Education to the Board under § 15-183(C)(2)("elective transfer").

B. The Board shall approve any charter schools transferring charters from a state school district that is determined to be out of compliance with the system of financial records under A.R.S. § 15-183(C)(1) and (2) ("non-elective transfer").

C. Except as provided in R7-5-108, a charter transfer is effective for 15 years from the first day of operation under the original charter.

D. The charter transfer applicant shall undergo fingerprint and credit checks as prescribed by the Board.

R7-5-105.01. Approving the Elective Transfer of a Charter

A. A charter school desiring to transfer a charter from a state school district or the State Board of Education shall make written application for transfer approval to the Board under A.R.S. § 15-183(C)(2) on the prescribed forms on or before April 1 prior to the fiscal year in which the transfer would become effective.

B. The transfer of a charter to the Board shall be completed before the beginning of the fiscal year that the transfer is scheduled to become effective.

C. The Board may accept a transferring school after the beginning of the fiscal year if the transfer has been approved by the superintendent of public instruction.

R7-5-105.02. Approving the Non-elective Transfer of Charter

A. A charter school desiring to transfer a charter from a state school district that is determined to be out of compliance with the system of financial records shall make written application for approval of transfer to the Board under A.R.S. § 15-183(C)(1) and (2) on the prescribed forms within 45 days of receipt of notification of the sponsoring school district's noncompliance.

B. The transfer of a charter from a state school district that is determined to be out of compliance with the uniform system of financial records may be completed at any time during the fiscal year.

C. The Board may grant an extension of time of not more than an additional 30 days if good cause exists to submit a transfer application upon the request of the charter school.

R7-5-105.03. Time-Frame for Approving or Rejecting a Charter Transfer

A. For the purpose of A.R.S. § 41-1073, the Board establishes the following charter transfer time-frames:
   Administrative completeness review time-frame: 15 days
   2. Substantive review time-frame: 90 days
   3. Overall time-frame: 105 days

R7-5-105.04. Administrative Completeness Review Process

A. If the transfer application package is incomplete, the Board shall provide a written notice of deficiencies to the applicant within the administrative completeness review time-frame, listing the missing information and requesting the charter transfer applicant to supply the missing information within 10 days from the date of notice. If the charter transfer applicant fails to do so, the Board shall close the file.

B. A charter transfer applicant whose file has been closed and who later seeks to transfer a charter to the Board under A.R.S. § 15-183(C)(2) shall submit a new transfer application to the Board. The administrative completeness review time-frame starts over when the Board receives the new transfer application.

C. If the Board provides a written notice of deficiencies, the administrative completeness review time-frame and the overall time-frame are suspended from the date the notice is issued until the date that the Board timely receives the missing information from the applicant.

D. If the Board does not provide a written notice of deficiencies within the administrative completeness review time-frame, the transfer application package is deemed administratively complete. If the Board provides a timely written notice of deficiencies, the application is not complete until all requested information is received by the Board.

E. A charter transfer applicant shall submit the unbound original charter transfer application package to the Arizona State Board for Charter Schools, 4105 North 20th Street, Suite 280, Phoenix, Arizona 85016.

R7-5-105.05. Contents of a Complete Transfer Application Package

A. A charter transfer application package is complete when the Board has all of the following information:
   1. From a charter transfer applicant, a completed transfer application form as prescribed in R7-5-105.01 or R7-5-105.02, as applicable, which contains the following information:
      a. Personally identifying information of the principal or the individual serving as the authorized agent on behalf of the charter school seeking to transfer a charter, as follows:
         i. Name and background information,
         ii. Mailing and Email address, and
         iii. Phone and fax number.
      b. Information about the charter school, including:
         i. School site information,
         ii. Facilities,
         iii. School calendar, and
         iv. Organizational governance and structure.
      c. Information about the charter school's comprehensive program of instruction, including:
         i. A narrative describing the school's curriculum (philosophy, methodology, special emphasis and mastery),
         ii. A representative curriculum sample that aligns with the Arizona State Standards for every grade level served, and
         iii. Stanford 9 test scores with a plan to improve scores not up to mastery level.
      d. Information about the charter school's special education and exceptional students' services, including:
         i. A narrative describing policies and procedures for special education, including a description of available and appropriately certified/licensed personnel who will implement special education programs, and
         ii. A description of child identification, evaluation, individual education plans, procedural safeguards, due process, least restrictive environment, certified special education teacher, related services personnel, screening forms, treatment of student records, referral processes, and parental consent.

e. The most current independent audit, including the audit review, and, if operating less than one year, the most current balance sheet and income statements.
f. If the applicant seeks to be excepted from the requirements of the Uniform System of Financial Records for Charter Schools (USFRCS) and Procurement Rules, a narrative on the generally accepted accounting principles that will be used and the procedures to be used for procuring products and services for the school.
g. A fingerprint card and affidavit for conducting background and credit check.
h. A narrative providing the description of the duties of the school governing authority, including a flow chart of the school's organizational structure.
i. Background check, including fingerprint clearance for all authorized signatories.
j. A completed General Statement of Assurances.
k. Copy of the documentation sent to the Secretary of State's office notifying them where the school's open meeting notices will be posted.
l. School/Sites Information Form.
m. Copy of the documentation of approved Use Permits by the building inspector in the municipality in which the charter school is located (Certificate of Occupancy).
n. Written verification that the facility meets the requirements established by the State and local fire marshal.
o. Proof of local County Health Department approval, and
p. Written verification from an insurance company authorized to do business in the State of Arizona that arrangements have been finalized to provide the required amount of insurance.

R7-5-105.06. Elective Transfer Substantive Review Process

A. When the transfer application package is complete, the Board shall complete a substantive review of the elective transfer applicant's application and qualifications to operate a charter school and shall approve or reject the charter transfer. The Board shall:
   1. Review the transfer application form and all required documents to ensure compliance with the requirements of A.R.S. § 15-181 to 189.03, and
   2. Consider any other information the Board determines necessary to the transfer of a charter, which may include a presentation by the transfer applicant.
B. Transfer applicants shall be notified in writing at least 7 days prior to the Board meeting of the date, time, and place of the meeting at which the Board shall consider the transfer.
C. If a charter transfer is rejected, the Board shall provide written notice to the charter transfer applicant within 15 days following the decision of the Board, including an explanation of the applicant's right to appeal as prescribed in title 41, chapter 6, article 10.
D. If a charter transfer is approved, the Board shall provide written notice to the applicant within 15 days following the decision of the Board.
E. During the substantive review time-frame, the Board may make one comprehensive written request for additional information. The Board and applicant may mutually agree in writing to allow the Board to submit supplemental requests for additional information. If the Board issues a comprehensive written request or a supplemental request by mutual written agreement for additional information, the substantive review time-frame and the overall time-frame are suspended from the date the request is issued until the date the Board receives the additional information from the applicant.
F. By mutual written agreement, the Board and the applicant may extend the substantive review time-frame and the overall time-frame. An extension of the substantive review time-frame and the overall time-frame may not exceed twenty-five percent of the overall time-frame.

R7-5-105.07. Non-elective Transfer Substantive Review Process

A. When the transfer application package is complete, the Board shall complete a substantive review of the elective transfer application and shall approve the transfer.

R7-5-105.08. Execution of a Transfer Charter

A. The transfer charter shall be signed by the President of the Board and by the transfer applicant, or a person with signatory authority for the transfer applicant, within 30 days from the date of approval of the transfer of the charter by the Board.
B. Transfer charters which have not been signed pursuant to this rule shall require re-application and approval.

R7-5-106. Review of a Charter

A. The Board shall review its charters at five year intervals to ensure compliance with the obligations of the charter and the requirements of A.R.S. § 15-181 et seq. The Board shall:
   1. Gather information, which may include:
      a. The school's audits, including the audit reviews,
      b. The school's annual financial reports,
      c. The school's annual budgets, and
      d. The school's self-assessment.
   2. Consider criteria, which may include, but is not limited to:
      a. The provisions of the contract,
      b. The school's mission,
      c. The school's academic and non-academic goals,
      d. The school's academic performance,
      e. The school's parent survey,
      f. The school's school report cards,
      g. The school's learning environment, and
      h. Any other factors the Board determines relevant to the review of the charter.

R7-5-107. Withholding of State Aid

A. The Board may submit a request to the State Board of Education to withhold up to 10 percent of the monthly apportionment of state aid that would otherwise be due to a charter school it sponsors upon a determination that the charter school is not in compliance with federal law, the laws of this state, or with its charter. The State Board of Education shall adjust the charter school's apportionment accordingly.
B. The Board shall provide written notice to the charter school at least seventy-two hours before the public meeting at which the determination and withholding request shall be made.
C. The charter school shall be allowed to respond to the allegations of noncompliance at the public meeting prior to the Board's final determination to notify the State Board of Education of noncompliance.
D. The charter school shall submit a corrective action plan to the Board on a date specified by the Board at a public meeting.
E. The corrective action plan shall be designed to correct deficiencies at the charter school and to ensure that the charter school promptly returns to compliance.
F. Upon a determination by the Board that the charter school is in compliance with federal law, the laws of this state, and with its charter, the State Board of Education shall restore the full amount of state aid payments to the charter school.

R7-5-108. Revocation of a Charter

A. The Board may revoke a charter at any time if the charter school breaches one or more provisions of its charter.
B. The Board shall deliver written notice of its intent to revoke the charter to the operator of the charter school in person or send a written notice of the action by certified mail, return receipt requested, to the address of the charter school at least 90 days before the effective date of the hearing on the proposed revocation. The notice shall include:
   1. A statement of the reasons for the proposed revocation of the charter with reference to applicable statutes and rules, and
   2. A statement of the time, place, and nature of the hearing.
C. The operator of the charter school shall be allowed at least 90 days to correct the problems associated with the reasons for the proposed revocation of the charter.
D. The Board shall determine whether to revoke the charter at a public hearing called for such purpose.
E. At the hearing, the Board shall determine whether grounds exist to revoke the charter.
F. The hearing shall be conducted similar to the procedures for administrative proceedings in title 41, chapter 6, article 10.
G. Final decisions of the Board from charter revocation hearings are subject to judicial review under title 41, chapter 6, article 10.

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